

The National Underwriter

LIFE-INSURANCE EDITION

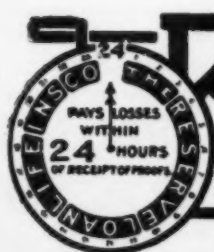
FRIDAY, DECEMBER 11, 1931

We Wish Everybody
A Merry Christmas
and
Happy New Year

With Our Policies and Commissions

You Can Make 1932

A Happy and Prosperous Year

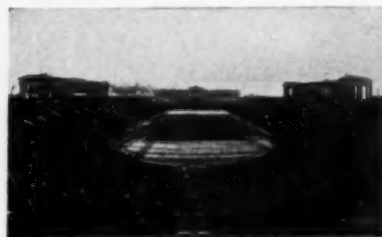


RESERVE LOAN LIFE
INSURANCE COMPANY
INDIANAPOLIS, INDIANA.



Left: Wrigley Field, home of the Chicago Cubs. Here thousands of baseball fans gather in season to cheer on the city's National League diamond heroes. "Play ball!"

Photo courtesy Chicago Daily News



Soldier Field, dedicated in 1926, scene of many brilliant outdoor spectacles. Much football history has been made here. Field Museum appears in center background. . .



Scene at Diversey Beach, Lincoln Park, on the near north side. Chicagoans go down to their "front yard" for swimming and boating. . .



A quiet day on the beach. Sometimes Chicago's beaches are crowded with nearly a quarter of a million people. . .

A City at Play

RECREATION is "re-creation." Mind and body to perform efficiently require rest and play. The well-organized city accepts as a duty the making possible of these necessary functions. Chicago affords Chicagoans a host of recreational advantages. Parks, playgrounds, athletic fields, tennis courts, golf courses, beaches and bridle-paths are but a few. These facilities furnished by the city, plus privately operated amusements, allow Chicagoans ample opportunity for fun and relaxation. And these privileges, be it known, are not neglected! Chicago plays as Chicago works—hard, enthusiastically and intelligently.

ILLINOIS LIFE INSURANCE CO.

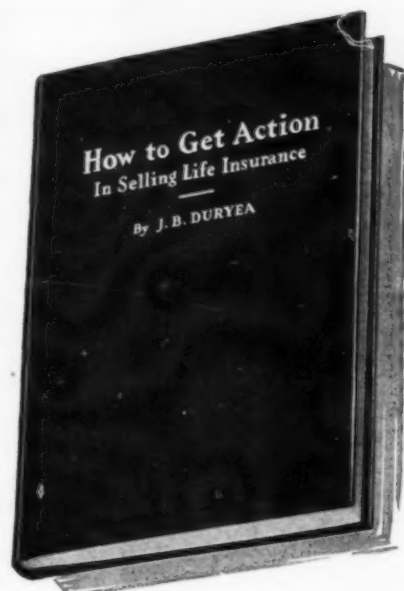
ILLINOIS LIFE BUILDING CHICAGO 1212 LAKE SHORE DRIVE

Raymond W. Stevens, *President*

CHICAGO

*A Good Place to Live
A Good Place to Work*

J. B. Duryea writes another!—



His latest book is

“How To Get Action” In Selling Life Insurance

The most important thing in the selling process—after an explanation of benefits—is to get action in closing the sale while the prospect's emotions are aroused. If the life underwriter can learn to close a larger proportion of the cases in which his explanation of benefits gives the prospect a feeling of want, he will materially increase his production.

Definite Instructions in the Selling Process with Special Emphasis on “How To Close”

The whole object of “How to Get Action” is to teach the underwriter how to become more efficient in obtaining a favorable reaction immediately following his explanation of benefits and to become more efficient in his personal conduct. The book is written in the same intimate and everyday language that Mr. Duryea uses in personally discussing the subject with his associates, and that has made his other books such outstanding successes.

Vivid, Life-like, Practical

Thousands of life insurance men everywhere will note with keen interest that J. B. Duryea, probably the most popular of all life insurance authors, has just completed a new book by the above title to be published shortly.

Mr. Duryea's earlier books, “How to Solicit,” “What to Say in Selling Life Insurance,” “What to Know About Life Insurance,” and “When to Stop Talking,” long ago exceeded in circulation, that of any other similar group of life insurance texts ever published.

They have proved beyond any question of doubt his unusual ability as a practical writer, noted especially for his understandable, attention-holding, direct-to-the-point style which **shows**, not merely tells, what is meant by each point. His writings are vivid, life-like, human, constructive, useful and especially marked for ease of understanding by the reader.

“How to Get Action,” written with the sole purpose of teaching the underwriter to become more effective in closing methods, approaches this important subject from slightly different angles in each chapter. It presents, by actual interviews, as only Mr. Duryea can, the procedure necessary to relieve the prospect's excited emotions and close the sale.

You can examine this book, at our expense, and then decide whether to add it to your permanent working library.

Single Copy \$1.50
Quantity prices on request

Ready for Christmas Delivery

If you haven't Mr. Duryea's other books in your office, you should have them. Order the others now too. You can save over 10% by ordering all five books at the special price of \$6.25. (Total regular price \$7.25). Mark Coupon Accordingly.

“How to Get Action” makes an ideal Christmas gift for you to send to your associates. It is timely, practical, and inexpensive. We shall be glad to mail copies direct to your associates with a Christmas message from you. Just send us the shipping list. We'll bill you at quantity prices after first of next year.

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Send me on “ten day approval,” as soon as ready, cop. of Duryea's “How to Get Action,” allowing me the privilege of return within ten days—Single Copy Price \$1.50.

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LIFE REINSURANCE STANDARD AND SUB-STANDARD



North American Reassurance Company

**LAWRENCE M.
CATHLES, PRESIDENT
250 PARK AVENUE
NEW YORK**

The National Underwriter

LIFE INSURANCE EDITION

Thirty-Fifth Year No. 50

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, DECEMBER 11, 1931

\$3.00 Per Year, 15 Cents a Copy

Commissioners in Valuation Debate

Col. Dunham of Connecticut Stands by Guns, Holding for Dec. 31 Appraisal

KEEN INTEREST EVINCED

Convention Adopts Average Basis at New York Meeting, Setting Up June 30 Formula

By C. M. CARTWRIGHT

NEW YORK, Dec. 10.—The National Convention of Insurance Commissioners voted this week at its meeting here to follow the so-called average method of valuation for securities in the Dec. 31 financial statements, rather than to employ the market quotations as of that date. Hence for the most part June 20 figures will be used.

The book of valuation of securities gotten out annually by the convention will carry the June 30 figures. There were three opposing votes, Dunham of Connecticut, Mortensen of Wisconsin and Davis of the District of Columbia.

Discretion Is Permissible

Commissioners will use their discretion in handling the situation and may have to be still more lenient. If a company seems in a hopeless condition and is not able to stem the tide, then it will have to run to cover. The general opinion was that this is not the time to embarrass companies unnecessarily, as they have many problems to solve.

If the opposing departments demand Dec. 31 figures there will be much confusion and ugly competition. Van Schaick of New York, chairman of the valuation committee, stated that he hoped for uniformity of action. He will require all companies to use the official valuation figures for use in his department. The market value on a particular day, he insists, is not a fair criterion.

Resolution Is Adopted

Resolution: "Whereas, Exceptional fluctuations of value of stocks and bonds as reflected on the exchanges have led to the inquiry as to whether the market price quotations for stocks and bonds on any particular day are indicative of the fair market value of such securities; and

"Whereas, Under similar circumstances it has been the policy of the National Convention of Insurance Commissioners to indorse and recommend the substitution of the range of the market and the average of prices thus found running through a reasonable period of time as a fair basis of market value of stocks and bonds;

"Resolved, That the committee on valuation of securities of the National Convention of Insurance Commissioners is of the opinion that under present

(CONTINUED ON PAGE 14)

Barry Banquet Is Most Brilliant Affair in Years



JAMES VICTOR BARRY

The testimonial dinner at the Waldorf-Astoria in New York City Wednesday night to honor James Victor Barry was the most representative gathering of insurance men assembled in many years. Company officials from this country and Canada, state insurance commissioners, organization men, attorneys, agents, newspaper men—in fact as brilliant a galaxy of men allied with the business as ever assembled paid honor to a man who is an insurance institution himself, one who has contributed in many ways to the great activity he has served so well.

Mr. Barry is a lovable character, one personally popular and enshrined in the hearts of all who know him. The officials, attorneys, agency men, department heads, local managers of the Metropolitan Life, of which he is third vice-president, filled some six tables. There were three tables of New York City Life general agents. Some companies reserved one or more tables for their officials.

Turnout of 650

In all, over 650 met on this gala occasion. Business lines were cast aside. Men representing stock companies, mutuals, fraternal and reciprocal were present. Henry F. Tyrrell of Milwaukee, legislative counsel Northwestern Mutual Life, presented the toastmaster, Alfred Hurrell, vice-president and general counsel Prudential.

The speakers were President F. H. Ecker of the Metropolitan Life; Commissioner C. D. Livingston of Michigan; United States Manager C. F. Shallcross, North British & Mercantile; United States Manager Frederick Richardson, General Accident; President E. M. Allen, National Surety, and Col. Joseph Button of Richmond, Va., former insurance commissioner, the last speaker, who presented Mr. Barry with a beautifully bound book, handsomely inscribed with touching sentiment and containing the names of all present.

(CONTINUED ON PAGE 24)

Traditions of Companies' Investments Are Outlined

After presenting an analysis of life insurance investments based on a comparison between 1906 and 1931, President William A. Law of the Penn Mutual in his address before the Association of Life Insurance Presidents in New York recited what he calls the traditions of life insurance investments.

The traditions of life insurance investments as outlined by the speaker were:

The tradition of priority of liens, supported by reasonable earnings, strong ownership and ample equity.

The tradition of invariable amortization of mortgage loans, correcting changes or over estimate in market value.

Diversification Tradition

The tradition of diversification of investment, as to general character, location and number.

The tradition of constant analysis and criticism of holdings.

The tradition of moderation as to income yield being an accurate yard stick of quality.

The tradition of honest charge-offs at frequent intervals, correcting errors of judgment.

The tradition of courageous activity, attacking new and difficult problems with vigorous and resourceful confidence.

In 1906, the total assets of American legal reserve life companies amounted to \$2,924,000,000 compared with \$2,200,000,000 at present, Mr. Law pointed out. "This," he said, "indicates the extent to which the American people have sought financial independence for themselves and for their dependents, constituting a national self reliance reserve—a reserve against the one great hazard of life which no man can avoid." He said that as the self reliance fund increases the necessity for charitable organizations is lessened. The fund now represents the equities of more than 68,000,000 policyholders or an average of \$297 per policyholder.

From 1881 to 1906 assets of American life companies increased 534.2 percent and for the succeeding 25 years from 1906 to 1931, the increase was 590.8 percent.

During this period the ratio of life insurance assets to national wealth was increased from 2.3 percent to 5.6 percent.

Transportation Evolution

Mr. Law said that since 1906 transportation has involved the most significant economic changes. Growth of the automobile has affected the earnings of steam and electric railroads and street railways except in the larger cities. State bonds, county, township and municipal obligations have been issued to finance more and better highways. Farming operations have been greatly affected by the automobiles and tractor.

In 1906, he pointed out, electric street railways were profitable and their first mortgage bonds constituted a conservative and highly popular type of investment but the picture in that direction has greatly changed.

In 1906 railroad securities were favorites and railroad bonds represented by

far the major item of security investments of life insurance companies. At that time 34.8 percent of total assets of life insurance companies were invested in railroad securities. But thereafter a decline occurred in the total of railroad securities in relation to other types of available investments. At the end of 1931, he said that \$2,986,000,000 will be invested in railroad bonds and stock by life insurance companies, but although this is three times the sum so invested in 1906 the proportion of life insurance investment in those securities will only be 16.2 percent of total assets. The reason is that life insurance assets have grown in volume much more rapidly than have railroad securities.

Ratio to Funded Debt

In 1906, the investments of the 52 companies, whose figures Mr. Law used for purposes of comparison, were 12.2 percent of the funded debt of the railroads. By 1930 investments were 23.1 percent of the total funded debts.

"It is essential," he said, "that affairs of the railroads be so administered by the cooperation of management and rate making bodies as to provide ample earnings to meet the service of all financial obligations. The rate making powers of the Interstate Commerce Commission are exercisable not only for the protection of shippers and passengers, but also for the maintenance of railroad credit and the preservation of values for the holders of railroad securities. It should be the combined objective of management and rate maker to enable railroad companies to accumulate in prosperous years substantial liquid reserves from which to meet the requirements of lean years."

The continuation of a healthy transportation system adequately financed and entitled to the highest credit rating has a bearing of inestimable importance upon the maintenance of other property values and the prosperity of business generally. It is unthinkable that any steps will be taken or any action fail to be taken, which will result in the permanent impairment of present railroad obligations, or the ability of the railroads to effect such further financing as may be required to maintain our high standards of railroad service."

Confident of Future

Mr. Law added that life insurance companies may suffer loss in specific cases of railroad investments, but he expressed complete confidence in the integrity of railroad obligations generally and in the ultimate payment at maturity regardless of present market quotations.

Today, he said, street railway securities constitute only a minor portion of life insurance investments, while the holdings of various public utility issues have increased greatly. In 1906 the holdings of public utility bonds and stocks represented only 4.7 percent of assets of the 52 companies. Now the proportion is 10 percent. During the last three years, he said, preferred and guaranteed public utility stocks gained in favor.

(CONTINUED ON PAGE 24)

Disability Retreat Continues Steadily

Several Additional Companies Announce Discontinuance of the Income Clause

OTHERS RESTRICT BENEFIT

All Continue Waiver of Premium Without Change, Subject to Experience of Future

Retrenchment on disability continued this week, a number of companies announcing discontinuance of the income clause and others restriction both in benefits and underwriting.

The Michigan Life has modified its income disability clause effective Jan. 1, reducing the income per \$1,000 of insurance from \$10 to \$5 and increasing waiting period from four to six months. This benefit will not be issued after age 50 to men and 45 to women, and automatically will expire at age 55 for men and 50 for women.

The monthly income will run for life on life policies and to maturity only on endowment. The benefit will be granted to single, self-supporting women at double rates for men and will automatically expire on the marriage of women. Rates will remain as at present.

Detroit Life Restricting

Another Detroit company, the Detroit Life, is going on a restricted disability basis Jan. 1. Income disability will be reduced to \$5 per \$1,000 of insurance per month and waiting period extended to six months. Disability benefits will not be issued after age 50 to men or women and income disability will not be issued to women at all. No claims will be allowed on disability occurring after age 55.

Disability waiver only will be issued to women prior to age 45, providing they are unmarried and have a position which takes them away from their residence.

Disability will not be issued to substandard applicants nor to certain occupations still to be decided upon by the insurance committee. Income disability will not be issued on policies less than \$5,000 nor more than \$50,000.

Limit Is \$500 a Month

The income benefit will not be issued to an applicant if it would increase his present income in all companies to more than \$500 a month; and in any event the income benefits will not be issued for more than 50 percent of applicant's earned income. The income benefit is to cease at the end of the endowment period on all endowment policies, Actuary A. T. Lehman states.

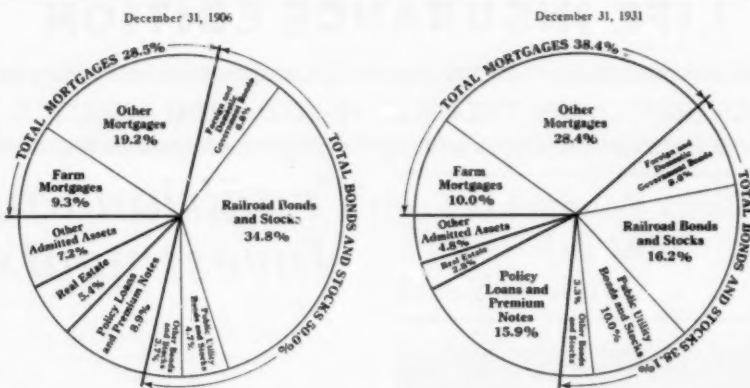
The Cosmopolitan Old Line Life of Lincoln, Neb., is to continue writing the disability income and waiver clauses as in the past until Jan. 1, 1933, by which time it is expected the officers will be able to tell what has been the effect on the underwriting of the business in general during 1932 caused by the cessation or modification of issuance of this benefit by many companies.

Campbell Makes Statement

Vice-president D. H. Campbell states, "It is our belief that the two factors affecting disability risks as they would be submitted to this company are: 1. Our close contact in the underwriting of such cases, and, 2. the absence of the larger commercial cases, and that these two conditions will make it possible for such companies as our own to issue this

(CONTINUED ON PAGE 22)

Distribution of Life Insurance Investments by Classes—1906,'31



(Based on reports of 52 member companies of the Life Presidents Association, as presented by W. A. Law, president Penn Mutual)

Name National Association Committee for Thrift Week

NEW YORK, Dec. 10.—Grant Hill, production manager of the C. L. McMullen agency here of the Northwestern Mutual Life, has been appointed chairman of the committee of the National Association of Life Underwriters which will cooperate with the committee in charge of life insurance day in thrift week. The latter committee is headed by Vice-President A. G. Borden of the Equitable Life of New York.

Other members of Mr. Hill's committee are C. C. Gilman, National of Vermont, Boston; T. M. Riehle; H. J. Johnson, Penn Mutual, Pittsburgh; V. E. Beamer, Equitable, Jacksonville, Fla.; C. Vivian Anderson; H. C. Van de Walker, American Life, Detroit; E. B. Thurman, New England Mutual, Chicago; S. L. Morton, Connecticut Mutual, St. Louis; H. L. Peebles, Aetna, Dallas; Frank B. Summers, New York Life, Omaha; A. S. Holman, Travelers, San Francisco; Dwight Mead, Pacific Mutual, Seattle.

Hoover Sees Families as Real Investors in Roads

NEW YORK, Dec. 10.—The fact that insurance companies and savings banks are among the largest investors in railway securities was cited by President Hoover in his message to congress as a reason why the prosperity of the roads is interrelated to the prosperity of all industries. Through these institutions, railway bonds are in large sense the investment of every family, he said.

Vash Young at Rochester

Vash Young is to deliver his well known address, "A Fortune to Share," in Rochester, N. Y., Dec. 11 before a gathering sponsored by all of the civic clubs of the town.

Life Insurance Twenty Times Physical Estate

ST. LOUIS, Dec. 10.—The inventory of the estate of Harold E. Woodward, late vice-president and general manager Woodward Tiernan Printing Company here, has been filed with the probate court of St. Louis county. He had a physical estate of only \$24,376, while he carried \$500,000 of life insurance, divided equally between his wife and the printing company.

Financial Section, A. L. C., Discusses Farm Problems

The problem of farm loans, management and leases was under discussion at a meeting of the financial section of the American Life Convention in St. Louis with R. T. Byers, vice-president American Central Life, presiding as chairman of the section. About 50 representatives of 30 companies were present.

Members agreed that the farm mortgage situation has been improved with the recent betterment in prices for farm products. The members seemed to feel that the value of farm land had reached bottom and that it is now increasing. A government representative said that farmers in the Mississippi valley are liquidating their seed loans and other advances received from the federal government despite the fact that they were hardest hit by the 1930 drought.

Salaried Managers

Some of the companies reported favorable experience with salaried farm managers. One speaker said that hired farm workers can be depended upon to give real service.

The advisability of building up foreclosed farms to improve their value and to make an eventual sale easier was brought out. There is no foundation, it was agreed, for the theory that foreclosed farms should be disposed of as quickly as possible regardless of sacrifice. Competent supervision of tenants and better prices for products permit a company to hold a farm to be sold for its real worth, they said.

The forms of leases and rental plans for various sections, such as the corn belt, the cotton land, those states growing wheat and other small grains were discussed. Warning was delivered to guard against peculiar local practices in preparing leases and rental agreements, especially where crop returns are shared with the tenant.

The sentiment was not altogether pessimistic. In recent months, the speakers reported, companies have been able to dispose of farms at favorable prices and get a large cash payment.

Wabash Protective Committee

John W. Stedman, vice-president of the Prudential, is chairman of a bondholders' protective committee, which will look after the interests of the holders of the Wabash railway's refunding and general mortgage bonds. Receivers have been appointed for the Wabash.

Other insurance members of the committee are James H. Brewster, Jr., vice-president and treasurer of the Aetna Life and Henry George, second vice-president of the Metropolitan.

Life Presidents in 25-Year View

Speakers Emphasize Progress Since Days of Armstrong Investigation

SELF RELIANCE IS THEME

Giants of Business Gather for Silver Anniversary Convention—Program Tuned to the Day

NEW YORK, Dec. 10.—The silver anniversary convention of the Association of Life Insurance Presidents opened here today with the program tuned to the grave key of the day. The giants of the business are here. The great geniuses of life insurance are on the platform and in the convention hall.

Most of the life insurance speakers were reminiscent. This being the 25th anniversary, speakers took a long range view, discounting the afflictions of the day in comparison with the blessings of yesterday and based their observations on a quarter century of progress.

Frederick H. Ecker, president of the Metropolitan Life, and chairman of this meeting, led off with a keynote speech, sustaining the theme of the sessions: "Progress Through Self Reliance—the American Plan." He made the telling point that the disbursements of life insurance companies this year will be 28 times the amount to be raised for unemployment relief and said that this is an example of what may be accomplished by an American self-reliance program.

Canadian Minister Talks

The second address was delivered by Maj. W. D. Herridge, Canadian minister to the United States.

Thomas A. Buckner, president of the New York Life, gave the final formal address of the morning session. He received a splendid ovation when he concluded his speech, a retrospect of 50 years. While other speakers are in a position to view life insurance history over the 25 year period, Mr. Buckner has a half century range, having joined the New York Life in 1880. He was a witness of the depression which lasted from 1873-1879. He saw life insurance companies emerge from that trying period. He was on deck during the Armstrong investigation of 1905 and took a prominent part in restoring life insurance to the confidence of people after the revelations of that investigation. He knows how the life insurance companies came through the World war and influenza epidemic. From that rich experience, he painted a dramatic picture of the evolution of life insurance.

The final feature of the morning consisted of greetings from the American Life Convention, Canadian Life Insurance Officers' Association and the National Association of Life Underwriters.

Parkinson Afternoon Speaker

President Thomas I. Parkinson of the Equitable Life of New York was the first speaker Thursday afternoon. He was followed by R. G. Sproul, president of the University of California, who emphasized the importance of directing education at the social adjustment of youth. He compared the educational systems in Soviet Russia and Fascist Italy to those of the United States. In the former countries education is regimentation, he said. Education there is based on the theory that individuals are creatures of the state. American education rests upon the theory of individualism, however. He disputed the notion that because the colleges and other edu-

(CONTINUED ON PAGE 23)

Missouri State Peace Is Signed

Nims and Dorsey Come to Agree-
ment After Bitter
Row

CONFER AS TO PRESIDENT

Judge C. I. Dawson May Be Compro-
mise Choice—T. F. Lawrence
Is Mentioned

NEW YORK, Dec. 10.—Missouri State Life representatives are here this week to confer on a new president. A number of names have been suggested, both eastern and western. It seems certain that the man will be one versed in life insurance and one who will yield influence and inspire confidence. E. D. Nims, chairman of the board; President Hillsman Taylor; C. O. Shepherd, actuary, and General Counsel Allen May are here from the home office. They are conferring with M. J. Dorsey and his associates.

The two factions in the Missouri State Life have signed a peace agreement and are now in conference to select a president to succeed Hillsman Taylor, who announced last week that he is not a candidate for reelection.

Settlement of the bitter controversy came abruptly. It followed immediately after stockholders had been barraged with attacks from both sides. For which faction the compromise means capitulation is difficult to say. The M. J. Dorsey-Theobald Felss faction appeared to have been well within sight of victory in the proxy fight, but the E. D. Nims-Frank Watts people of St. Louis were supported by strong financial interests in the east. A powerful financial syndicate was assisting the administration.

Terms of Agreement

The announcement of the peace pact was made by Mr. Nims, who is chairman of the board of the Missouri State, and was leader in the promotion of a voting trust, and by Judge Fred L. Williams, representing the Felss-Dorsey interests. According to the announcement, a board of directors has been agreed upon which will be supported by both groups. A new president will be selected from a number of suggested persons, who are mutually agreeable to both sides. "Both groups," the announcement stated, "have pledged their cooperation to the interest of all stockholders and to the progress of the company and to the new president."

One of the articles in the agreement is that Charles I. Dawson, United States district judge at Louisville, Ky., would be acceptable to both sides for president in the event that the factions are unable to agree upon and obtain the services of an outstanding life insurance executive before Dec. 15 when the next meeting of the board will be held. Judge Dawson in 1923 was the Republican nominee for governor of Kentucky and has been on the federal bench since 1925. He is a former attorney general for Kentucky. He was a speaker at the last meeting of the International Association of Insurance Counsel at Swampscott, Mass.

Other Candidates Named

However, other candidates are being discussed by the two factions in informal conference. It is likely that they will agree upon a man and that his election will be formally ratified Dec. 15. Some observers believe that it would still not be impossible to induce Walter

Presiding



F. H. ECKER

F. H. Ecker, president Metropolitan Life, is serving as chairman at the annual meeting of the Association of Life Insurance Presidents in New York this week, always one of the biggest insurance meetings of the year.

Receivers Get \$10,000 More in International Life Case

ST. LOUIS, Dec. 10.—Partial fees totaling \$40,000 have been allowed in the International Life receivership suit by Federal Judge Davis. In addition to the \$30,000 allowance to Massey Wilson for more than three years' work as co-receiver, Judge Davis awarded \$7,000 to Superintendent Thompson and \$3,000 to Ben C. Hyde, former superintendent. All of Mr. Thompson's allowance will be paid to the state while half of Mr. Hyde's fee will find its way into the state treasury. Mr. Hyde personally will receive the balance.

Recently Receiver Wilson expressed the opinion that the International Life will eventually pay its stockholders about \$50 a share, or twice the par value of \$25.

B. M. A. Exceeds Quota

During its Grant month campaign in November, the Business Men's Assurance exceeded its 20,000 point quota of paid-for business by 10 per cent. More than \$4,600,000 in paid life was produced.

Armstrong Investigation

These conditions led to legislative investigation by New York state in 1905, known as the Armstrong investigation. Although the financial structure of the companies was revealed to be sound,

Buckner Tells Story of Fifty Insurance Years

Thomas A. Buckner's "Retrospect of Fifty Years" was a dramatic incident at the meeting of the Association of Life Insurance Presidents. Mr. Buckner, who is president of the New York Life, completed 50 years of continuous active service with that company in April, 1930. From his rich experience, Mr. Buckner selected the significant events and presented a stirring picture of the evolution of life insurance through periods of great vicissitude.

Mr. Buckner started by quoting from the annual report of the New York superintendent in 1881, in which the superintendent felt gratified because all but two or three of the New York companies were in a sound and satisfactory condition. There were 12 bankrupt companies in the hands of receivers at that time.

Before the Civil War, Mr. Buckner related, companies, eager for business, "sapped their financial strength by payment of excessive annual dividends." Accordingly they were not in a position to meet the problems during and after the war.

Many Failures

The financial crisis from 1873-1879 resulted in the failure and reinsurance of many supposedly sound companies.

A new era dawned with 1880. About that year many of the companies deferred payment of dividends for various periods of years—a 15 or 20 years period predominating. This greatly strengthened their structure. Production of new business increased almost every year until in 1905 when the 13 charter members of the Presidents' Association had ten times the business that they had in 1880.

Growth of the companies and rivalry for business led to grave abuses, he said. Business seemed to be the chief aim. Clean methods and means of acquiring business appeared to be of secondary importance.

Mr. Buckner said that the welfare of policyholders was neglected. Rebating, twisting, stealing of agents by one company from another, sharp practices in competition, misleading literature and pointless ratios of irrelevant facts and figures were among the abuses. Many executives considered their companies in terms of personal ownership rather than of trusteeship.

the revelations, according to Mr. Buckner, shook the confidence of the people in those institutions.

Steps taken to correct the abuses went further than experience has shown to have been necessary, he said. The Armstrong law, he pointed out, made the state the writer of the policy contract, by defining the precise language of every policy; it prescribed methods of valuation of assets and liabilities and placed a limit on the amount of surplus a company could hold; it specified the character of investments; limited commissions and expenses; provided that dividends should be paid annually; prohibited bonuses, prizes and rewards, and finally fixed \$150,000,000 as the maximum amount of new business which a company might write in a year. Most of the provisions, he pointed out, have proved practicable and beneficent, but others have been unsound and unworkable and have been modified. In the face of these conditions, a few of the leading companies, at the instance of the Mutual Life, appointed committees of directors to hold joint meetings, to consider ways of curtailing expenses, and to make plans for the restoration of confidence in the business.

Buckner on Committee

Mr. Buckner was a member of this joint committee. Paul Morton, then president of the Equitable Life, conceived the idea of bringing the executives of the various companies into an organization and the Association of Life Insurance Presidents was inaugurated in New York Dec. 31, 1906. It started with 13 charter members and now has 70 companies.

Mr. Buckner related that he nominated Grover Cleveland to head the association. In addition to Mr. Morton and Buckner, the other members of the executive committee were S. C. Dunham, president of the Travelers; George E. Ide, president of the Home Life; L. G. Fouse, president Fidelity Mutual; Haley Fiske, vice-president Metropolitan. Mr. Buckner is the only survivor.

Mr. Buckner related a personal incident about Grover Cleveland in connection with the association. According to this story, Cleveland asked Mr. Buckner to come and see him. He asked if he was earning and entitled to the salary he was receiving. He said his conscience troubled him. Mr. Buckner surmised that Cleveland suspected that he was being paid simply for the use of his name.

Attempted to Assure Him

Mr. Buckner attempted to assure him in general terms, pointing out the co-operation he had brought about and the confidence he had restored in life insurance.

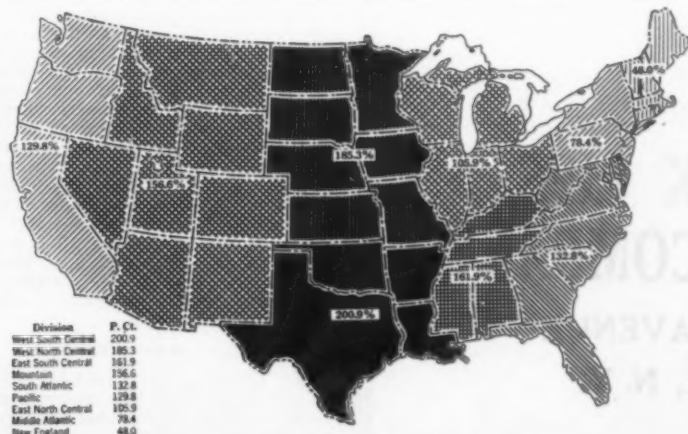
"That may be as to the past," Mr. Buckner quoted him as saying, "but what I want to know is whether I am now worth the money being paid me."

Mr. Buckner finally satisfied him by pointing out that he had more than earned his salary by his work in opposition to certain bills imposing unjust taxation.

"From the date of its organization to the present day this association has fulfilled all that was expected of it," Mr. Buckner said. Organization of the Life Presidents Association, he declared, marked the beginning of an epoch in the history of life insurance. Legislators and state officials began to assume a helpful attitude. The straight jacket placed upon the companies by the New York state legislature in 1906 was gradually taken off.

In 1880, admitted assets of the 13 charter member companies of the association were \$228,396,757; today the assets of those companies are \$11,436,047,380. In 1880 their insurance in force

Ratio of Investments to Reserves



Based on Dec. 31, 1930, figures of the Life Presidents' member companies, having 91.7 percent of the assets of all United States legal reserve companies.

(CONTINUED ON PAGE 23)

(CONTINUED ON LAST PAGE)

New York Life Is On the Air

THOUSANDS of congratulatory letters about our radio programs have been received. The purpose of these broadcasts is primarily to promote the conservation of insurance; and the Company hopes that life insurance, in general, as well as the New York Life will benefit.

The agents of all companies are invited to tune in on our programs every Tuesday evening on any of the following stations:

9:30 Eastern Time.....	New York	(WJZ)
" " "	Boston	(WBZ)
" " "	Springfield	(WBZA)
" " "	Baltimore	(WBAL)
" " "	Richmond	(WRVA)
" " "	Rochester	(WHAM)
" " "	Cleveland	(WGAR)
" " "	Pittsburg	(KDKA)
" " "	Detroit	(WJR)
" " "	Cincinnati	(WLW)
8:30 Central Time.....	Chicago	(WENR)
" " "	St. Louis	(KWK)
" " "	Kansas City	(WREN)
" " "	Council Bluffs, Ia. (KOIL)	

NEW YORK LIFE INSURANCE COMPANY

51 MADISON AVENUE
NEW YORK, N. Y.

Life Payments Self Reliance Example

Insurance This Year Will Dis-
burse 28 Times Unemploy-
ment Fund

ECKER CITES CONTRAST

Says Insurance Institutions Function
Continuously for the National
Welfare

Illustrating his theme that the growth of disbursements to policyholders is an amazing example of "progress through self reliance," President F. H. Ecker of the Metropolitan Life in his address before the Association of Life Insurance Presidents pointed out that life insurance companies this year will pay out more than 28 times the amount to be raised for unemployment relief.

The Presidents' committee on unemployment relief estimates that \$90,000,000 will be required to relieve unemployment hardships during this winter.

"The raising and distribution of this sum is a gigantic task," Mr. Ecker declared, "requiring the leadership of many of the ablest men of our country and the assistance of thousands of individuals throughout the land. Yet life insurance companies this year will pay out \$2,600,000,000—more than 28 times the amount to be raised for unemployment relief, and probably a larger sum during the coming year. This huge sum paid to thousands of individuals, available automatically upon the occurrence of the events toward which the accumulations were gathered, is the fruit of the efforts of a permanent organization that is functioning continuously for the advancement of national welfare.

Comparison Is Fair

"The comparison is a fair one," he said, "for every dollar dispersed by the life companies, whether in payment to beneficiaries, to disabled policyholders or to those maturing endowments, or even to those so unfortunate as to be compelled to surrender their policies, will aid in sustaining national purchasing power or in the liquidation of financial embarrassment."

Mr. Ecker pointed out that the business of distributing this huge sum is the result of 89 years of effort which has resulted in enrolling more than 68,000,000 people, over 54 percent of the entire population, as holders of policies amounting to \$109,000,000,000.

"Here is indeed an example of what may be accomplished by an American self reliance program nurtured by self-reliant organizations appealing to a self-reliant people. Here is an example of that type of sound, economic thinking by the rank and file of our citizenry which is fundamental to permanent national prosperity. Here is an example of what may be done by systematic preparation in times of prosperity to soften, if not to alleviate the blows of adversity. Here is a striking example of what life insurance as an institution means to this nation and of its contribution to national progress of teaching and exemplifying to its citizens the value of a definite program of individual self-reliance.

Can't Wholly Escape

Mr. Ecker said it would be unthinkable to believe that life insurance would escape entirely the double influence of the depression—slowing up of production and increase of lapses. The business had become accustomed to phenomenal

(CONTINUED ON PAGE 23)

Makes Things Move



GEORGE T. WIGHT

The smoothness with which the meetings of the Association of Life Insurance Presidents are always conducted is due in large part to the efficient work of George T. Wight, for many years secretary and manager of the association, who always has its machinery moving in high gear, especially at the time of the annual meeting.

Insurance Interests Involved

Several Bills Before the Illinois Legislature Would Affect the Business

E. M. Ackerman, secretary of the Insurance Federation of Illinois, has compiled a list of the bills before the special session of the Illinois legislature, which, if passed, would increase the present tax levies of the insurance companies or affect insurance companies. His list follows:

Senate bills 48 and 49: Tax on intangible property, provides a 5 percent income tax plus a 50 cents per \$1,000 of property tax upon intangible personal property in lieu of the present general property tax on intangible property.

Senate bill 56: Provides for a 2 percent income tax upon the income of corporations, which would include insurance. It makes the objectionable provision that returns must be made by Jan. 1 for the year next preceding.

House bill 185: Requires each corporation to report to the secretary of state each year a complete list of its stockholders residing in the state together with the number of shares held by each.

Senate bill 61: Tax of 2 cents on each \$100 of the face value or fraction thereof of any stock certificate of which transfer is made.

House bills 66, 67 and 68, give fire, marine and life insurance companies authority to invest in tax anticipation warrants. These bills are opposed by the department on the ground that such securities are not liquid assets.

House bill 188: Stops foreclosure of mortgages, chattel mortgages and trust deeds for two years and declares moratorium on payment of all interest for two years.

Dedication Services Held

A president's reception and dedicatory service were held recently to celebrate the licensing of the Union States Life of Portland, Ore. Among those who participated were President W. E. Hibbard, who told of the steps leading to the organization of the company; F. J. Lonergan, speaker of the Oregon house; G. L. Baker, mayor of Portland; J. P. Fordyce, vice-president and superintendent of agencies United Pacific Life of Seattle; W. A. Ekwall, circuit judge of Multnomah county.

NORTHWESTERN NATIONAL NEWS

Published Weekly in the Interest of the Agency Organization

Vol. XXV

MINNEAPOLIS, MINN., FRIDAY, DECEMBER 4, 1931

No. 49

Moore Gets Into Big 10; Seibel Gains

Status of Allies, Central Powers Remains the Same

BIG TEN LEADERS

November 30, 1931

1. E. C. Henkel.....White & Odell
2. F. H. Collins.....Hugh B. Keck
3. R. P. Roberts.....H. O. Wilhelm
4. E. N. Ney.....White & Odell
5. B. E. Williams.....H. O. Wilhelm
6. F. J. Seibel.....T. H. Cummings
7. J. W. Jackman.....H. O. Wilhelm
8. J. H. O'Malley.....H. O. Wilhelm
9. O. W. Veth.....White & Odell
10. E. E. Moore.....White & Odell

E. E. Moore of the White & Odell agency and F. J. Seibel of the Truman H. Cummings agency were the "big shots" in November as far as the Big Ten competition for that month was concerned.



E. E. MOORE

Mr. Moore, a member last year, broke in among the 10 leaders for the first time, while Mr. Seibel advanced from seventh to sixth place.

With the finish in sight, the next month should provide some hectic scrambling for points as the race, in many places, is so close that almost anything can happen.

It begins to look, however, as if the threat of the White & Odell agency to cinch six places is dwindling into nothing more than a myth. It still can claim but four men among the leaders, the Wilhelm agency having a like number, and although it has four challengers in 11th to 15th positions, there seems little chance of displacing the necessary two Allies, who to date have warded off every attack.

E. C. Henkel's lead seems almost unbeatable now, but R. P. Roberts of H. O. Wilhelm & Co. is close on the heels of F. H. Collins of the Hugh B. Keck agency in second, trailing him by only 230 points. Mr. Seibel's advance into sixth place, too, is not as secure as it might sound because his margin over J. W. Jackman of the Wilhelm agency in seventh is but a scant four points. Likewise, O. W. Veth of White & Odell is keep-

(Continued on page 2)

Advertisement

1930 Again Beaten as November New Business Gains 22 Per Cent

'Bust \$16,000,000' Is White & Odell War Cry for December

With \$16,000,000 plus as a goal for the year, the White & Odell agency has launched a "Whirlwind Finish" to bring in the necessary new business during December.

"Beat 1930" was the slogan of the agents as they set out to better by a million and a half last year's mark of \$14,661,600. At the start of the contest the 1931 figure already had reached \$14,795,000, leaving slightly over a million of new business necessary to reach the objective.

The agency has been divided into two evenly matched teams, captained by Leonard Odell and F. L. McCullough, and a huge chart showing the day-by-day progress of the contenders has been drawn up, its theme being two roads leading up to a huge money bag overflowing with commissions. A lively competition is predicted.

24 Now in Quarter Million Club; 15 Pass \$100,000 in November

107 on Yearly Honor Roll to Date; F. H. Collins, R. P. Roberts Improve Standings

With 24 agents already qualified and two others on schedule, the Quarter Million club seems headed toward a highly satisfactory year as it moves into the final month. At this time last year only 20 agents were fully qualified and five others on schedule.

Four fieldmen crossed the \$250,000 mark in November. They were: W. E. Lord, O. W. Veth of the White & Odell agency, and C. A. Phillips, Jr., and H. M. Ward of H. O. Wilhelm & Co.

The two who are on schedule are W. O. Westafer of the White & Odell agency with \$239,525 and J. P. Powell who has \$232,346. To be on

(Continued on page 3)

Collins' \$111,000 Leads Honor Roll

102 Agents Make Grade, 20 More Than Last Year

Frank H. Collins of the Hugh B. Keck agency won the Honor Roll leadership for the month of November, but only after a hard fight given him by W. H. Mengden of the Texas agency. Mr. Collins' total was \$111,000, while Mr. Mengden had \$104,230.

J. P. Powell was third with \$71,920, followed by H. M. Ward of H. O. Wilhelm & Co., with \$51,200, and F. M. Droll of the White & Odell agency who had \$50,352.

There were 102 names on this November's Honor Roll as compared with 82 in 1930.

Fifteen agents broke into the \$100,000 class during November as compared to 10 who turned the trick in October, to bring the total number of fieldmen on the Yearly Honor Roll to date to 107.

Those who crossed the century line last month were: G. H. Pettit of the Cincinnati agency; R. B. Downs of the Bidlake agency; W. H. Mengden, W. D. Foster and F. P. Brogniez of Cravens, Dargan & Co.; Bernard Speiser of the I. K. Schwartz agency; W. R. Weaver of the A. W. Crary agency; V. S. Eagan of H. O. Wilhelm & Co.; F. M. Droll and David Ward of the White & Odell agency; W. F. Preston; L. L. Coyle of the D. J. Connolly agency; H. B. Nelson; Mrs. Cecily M. Davis of the Truman H. Cummings agency, and P. H. Anderson of the S. N. Miller agency.

F. H. Collins of the Hugh B. Keck agency and R. P. Roberts of the Wilhelm agency crept a step or two nearer the top of the roster during November. Mr. Collins passed F. J. Seibel and Hugh B. Keck to take possession of third place, while Mr. Roberts moved into seventh ahead of E. N. Ney.

Following is a complete list, in order, of those who have passed the \$100,000 line for the year to date:

1. M. R. Nyman.....Minnesota
2. E. C. Henkel.....Minnesota
3. F. H. Collins.....Illinois
4. F. J. Seibel.....Michigan
5. Hugh B. Keck.....Illinois
6. R. H. Wells.....Minnesota
7. R. P. Roberts.....Nebraska
8. E. N. Ney.....Minnesota
9. O. J. Stephenson.....Minnesota
10. B. E. Williams.....Nebraska

(Continued on page 5)

Is Fourth Consecutive Month That Production Tops Last Year

WHITE & ODELL FIRST, WILHELM IS SECOND

Signs of Improving Conditions Spur Sales; Recovery Forecast

Giving good heed to the signs of improving conditions looming up on every hand, Northwestern National's agency organization stole another march on the depression bugaboo by stepping out in November to produce 22 per cent more new business than was written in the same month of 1930.

With the three leading agencies trimming their 1930 records by big margins, it marked the fourth consecutive month that new business production has surpassed that of last year.

That conditions are actually on the upswing today is apparent after even a casual glance at the daily newspapers and business magazines. On all sides, reports of improvement are noted. A collection of a few headlines clipped in a single week is reproduced on page four.

The White & Odell agency, with the best November in its history except for the banner year of 1929, led the parade, as usual. Right behind was H. O. Wilhelm & Co., which did have its best November, setting a new monthly record for that agency for the fourth consecutive time.

The Hugh B. Keck agency walked away with third honors after finishing seventh in October, nosing out the Truman H. Cummings agency by \$8,000. At the same time it cut down the margin of the Texas agency in their 1931 production melee from the \$203,000 it was at the beginning of the month to \$18,000. The Texans finished seventh.

Holding onto fifth and sixth places

(Continued on page 6)

10 LEADING AGENCIES

For November

Standing Nov. 30		Standing Oct. 31
1.	White & Odell.....	1
2.	H. O. Wilhelm.....	2
3.	Hugh B. Keck.....	7
4.	Truman H. Cummings.....	3
5.	A. W. Crary.....	5
6.	R. H. Carter.....	6
7.	Cravens, Dargan & Co.	4
8.	Cincinnati Agency.....	20
9.	I. K. Schwartz.....	14
10.	J. P. Powell.....	24

A reproduction of the front page of Northwestern National News for December 4

Use of Coroners' Verdicts in Accident Cases Debated

FRANK REVIEWS SITUATION

Question of Admissibility and Introduction to Prove Suicide Taken Up Before Life Council

Admission or exclusion of certain documentary evidence in case of suicide or suspected suicide plays an important role in determining the liability of the insurer, J. D. Frank, assistant general counsel Lincoln National Life, Fort Wayne, Ind., told the Association of Life Insurance Counsel in its New York meeting.

He said under the suicide and double indemnity clauses in life contracts the manner in which the assured met death is a question of importance which too often is difficult of solution. Under the double indemnity clause the burden of proof is on beneficiary to establish that assured met death in a manner which makes the insurer liable for payment of the additional amount provided for in the contract. There is, however, a pre-

sumption against suicide and the burden of proof is on the insurer to establish the fact of suicide when it is invoked as a defense.

Mr. Frank discussed "The Admissibility of Coroner Verdicts." He said decisions are not at all harmonious on the question; that generally a coroner's inquest is hastily and informally conducted, little if any attention being paid to rules of evidence. Facts essential to a proper verdict are not always presented and in many instances are suppressed.

Usually Exclude Evidence

The weight of authority in American courts is that as independent evidence a coroner's verdict is not admissible to prove the cause of death, which Mr. Frank considers a wise ruling. With very few exceptions courts are unanimous on the proposition that whenever a beneficiary attaches coroner verdicts to proofs submitted to the insurer and they disclose suicide, these verdicts are admissible as admissions against interest.

However, courts generally exclude the evidence from which such verdicts were rendered, largely because the parties litigating were not parties to the hearings before the court and had no opportunity to cross-examine witnesses or inquire into accuracy of testimony.

Canadian Companies May Cooperate on Securities

TORONTO, ONT., Dec. 10.—Further depreciation in market values of bonds and stocks has given rise to conferences now being held between life insurance company officers and government officials regarding valuation to be placed on holdings this year. It is understood that at present market values, several Canadian companies would show a deficiency of assets.

Canadian companies all realize that this question affects the entire business and are ready to cooperate in any plan to carry others through.

Under the present Dominion law, the Dominion superintendent has power to accept market values as at the end of December, or not more than 60 days previous, or as at the end of last year, or, in case of securities acquired this year, the present book value.

Official decision has not yet been reached. One of the above alternatives may be adopted. Amortized values as applied in the United States also are being discussed and this would require an amendment to the law at the coming session of the Dominion parliament.

A. I. U. Demands Return of Stock from New Purchasers

BUT REQUEST IS IGNORED

Appeal Made to Commissioners in Fight Between Coyle and Trans-Continental Trust Company

NEW YORK, Dec. 10.—The fraternal committee of the National Convention of Insurance Commissioners had a hearing on the American Insurance Union of Columbus, O. Its officers were present. A legal reserve company was organized to take over the fraternal and now a fight for control is precipitated.

Judge Tarver of Texas presided at the fraternal hearing. Representatives of the Trans-Continental Trust Company, which recently acquired 9,960 A. I. U. shares complained that they were not given representation on the board. President C. S. Younger of the A. I. U., Inc., represented the Transcontinental Trust Company. The committee held it was not a matter in which the convention was concerned and apparently the problem will be left to Superintendent Warner of Ohio.

Return of and acceptance of repayment for the 9,960 shares of American Insurance Union, Inc., stock recently acquired by the Trans-Continental Trust Company of Chicago has been demanded by the board of directors of the A. I. U., Inc. This action was taken after A. F. Coyle, executive vice-president of the A. I. U., Inc., by naming three new directors, came into control of the board. The demand is being ignored by the Trans-Continental Trust Company, which is controlled by interests identified with the Illinois Bankers Life. The trust company takes the position that return of the stock cannot be enforced unless every creditor and stockholder of the A. I. U. approves.

Mr. Coyle claims that he was squeezed out by the Trans-Continental Trust Company. The 9,960 shares were under contract to sell to him, but he had assigned the shares to the trust company as collateral for a loan with which to make the purchase. After the due date on one installment had passed without Coyle making his payment the Trans-Continental Trust Company stepped in and purchased the entire 9,960 shares. Coyle claims that he offered repayment to the trust company, but the tender was refused.

Commissioners Advised

The Trans-Continental Trust Company sent an outline of the controversial transaction to Commissioner Livingston of Michigan, who is president of the National Association of Insurance Commissioners; Commissioner Read of Oklahoma, secretary of the convention, as well as to the chairmen of the fraternal and executive committees of the convention. Until advised as to the action of the commissioners in New York this week, the Trans-continental Trust Company is taking no action.

The annual stockholders meeting of the American Insurance Union, Inc., is not scheduled until March, but a meeting of stockholders may be called on 20 days' notice by more than 50 percent of the stockholders. The Trans-Continental Trust Company claims to own enough shares in addition to the 9,960 shares to constitute 51 percent of the stock, so that a meeting of stockholders could be called by the trust company.

A number of commissioners stopped in Columbus on their way to the National convention in New York. Commissioner Read of Oklahoma was interested particularly, because the A. I. U. took over a number of assessment companies in that state.

Mr. Coyle is in New York and is furthering his interests with the commissioners. As right hand man to the late John J. Lentz, who was head of the A. I. U., Mr. Coyle attended meetings of the commissioners and is familiar with the machinery.

AN INCOME OPPORTUNITY For Life Insurance Salesmen

Salesmen accustomed to writing Disability benefits in connection with the sale of Life insurance will find in this organization the facilities they require for completing personal insurance programs. We offer:

Specialized knowledge of the Health & Accident insurance business.

A broad range of modern, flexible contracts, designed to meet every legitimate need.

An unblemished reputation for prompt and efficient claims service extending over a third of a century.

Financial strength above question.

Plus other facilities for making a connection with this institution both pleasant and profitable

FOR FULL INFORMATION, ADDRESS YOUR INQUIRY TO
THE AGENCY DEPARTMENT, ACCIDENT & HEALTH DIVISION

CONTINENTAL
CASUALTY CHICAGO
COMPANY ILLINOIS

Shows How Canada, U. S. Lead World

Life Insurance Attainments Caused
by Spirit of Self
Reliance

VIEWS OF H. S. NOLLEN

Tradition of Dependency in Other Na-
tions Retards Insurance De-
velopment, He Says

Henry S. Nollen, president of the Equitable Life of Iowa, suggested in his address before the annual convention of the Association of Life Insurance Presidents, that the spirit of self reliance in Canada and this country may be the answer to the question why the volume of life insurance in those countries, the per capita holding of life insurance, the ratio of life insurance in force in national wealth and national income are so far ahead of the rest of the world.

Development of the American continent, Mr. Nollen pointed out, caused its people to shake off completely the traits engendered by the feudal system—the idea of the common man as a servile subject, living under sordid conditions without hope of breaking through the crust of the traditional social structure. The spirit of self reliance was strengthened here.

Self Reliance Example

"The institution of life insurance in Canada and the United States is a marked example of this self-reliant spirit," he said. "It is manifest by the millions of policyholders who have found the institution a means of providing for future needs, which, with the factor of savings, has added to it the immeasurably more vital factor of cooperation, through which each individual finds solace in the guarantee of indemnity in the event of his misfortune."

The great strides which industrial insurance has made here also testify to the dominant self-reliant spirit of the American people, Mr. Nollen declared.

In England, however, the feudal lord has been replaced in the minds of the mass of workers by the government. The old tradition of dependency is still cogent. "Instead of a virile spirit of self-reliance, there is the enervating tenet of child-like dependence catered to in the political policies applied in the dole."

Condemns Doctrinaires

Mr. Nollen condemned doctrinaires with political nostrums and social philosophies, that would emasculate American individualism. He said that American individualism has found its value in the use of things rather than in the possession of things.

Mr. Nollen also compared conditions in Russia where Soviet power dictates that the state shall reap the reward of all individual toil and thought. Russian character submits to ruthless domination and attack on personal liberty.

Nearly all European nations, he pointed out, have adopted some plan of social government insurance. "Let us hope," he said, "that, in this country at least, we shall always avoid the error of using the permanent principle of insurance with temporary relief through charity, that we shall not consume capital to convert a community of laborers into a mass of loafers. In setting the example of self-reliance through thrift and vision and pride of accomplishment, life insurance has contributed its full

(CONTINUED ON PAGE 26)

When REPLACEMENT spells PROSPERITY

What if we have been in a period of "depression?" Don't overlook one great economic factor,—that as depreciation reaches a point where replacement is necessary, prosperity is again with us.

Bear in mind that there will probably be another "depression" along about 1939, possibly again about 1948, and so on, perhaps every nine or ten years. Even so, we shall always come out of it.

Our work as life underwriters is to educate the public against being caught again. So carry on. Our job is cut out for us.

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS



What lies beyond the horizon?

Just beyond the horizon is tomorrow, next week, next year . . . the future.

For representatives of the Midland Mutual the future holds unlimited possibilities. They know that the conservative management of their company will continue to build a financially strong institution . . . an institution that will help them create a permanent business.

If you are interested in making a connection with a life insurance company that has always made "Its Performances Exceed Its Promises", address

The Agency Department

THE MIDLAND MUTUAL LIFE INSURANCE CO.

Columbus, Ohio



Life Counsel in New York Meet

Important Legal Questions Taken Up by Company Attorneys Association

REAL ESTATE DISCUSSED

Report Given on Attitude Toward Uniform Death Claim Blanks Adopted by Big Majority

NEW OFFICERS ELECTED

President—Francis V. Keesling, West Coast Life.
Vice-President—Alfred Harrell, Prudential.
Secretary-Treasurer—Harry Cole Bates, Metropolitan Life.
Assistant Secretary—Mildred Drinnan.
Executive Committee—Louis H. Cooke, chairman; Joseph S. Conwell, Samuel Davis, Clyde P. Johnson and David Kay, Jr.

NEW YORK, Dec. 10.—The Hotel Astor, here, was the scene of the annual meeting of the Association of Life Insurance Counsel, called to order by President George B. Young, general counsel National Life of Vermont. About 100 members answered roll call read by Secretary-Treasurer H. C. Bates, assistant general counsel, Metropolitan.

Reporting as treasurer, he stated that while cash on hand Dec. 5 was reduced to \$400, surplus of \$10,000 has been maintained safely invested.

President Young appointed a committee to draft a resolution on the death of Guilford A. Deitch, former general counsel Reserve Loan Life.

Business Transacted

Mr. Bates reported for the executive committee the election to membership of J. T. Gurney, Bankers National, and resignation of A. E. Carroll, Guaranty Life, and Claris Adams, American Life.

President Young appointed the nominating committee consisting of Chairman J. C. Jones, and G. W. Cox, W. H. Davis, A. J. Davis and B. P. Sears.

The first paper on "Statutes prohibiting corporations from holding title to real estate and the penalties for their violation," was read by Frank Ewing, assistant general counsel Metropolitan. He stated that at common law, corporations have power to acquire and hold real estate without restriction or limitation for purposes for which they were organized.

In the United States and Canada corporations are restricted in their charters and by statute in the real estate they may hold and in the requirement that surplus real estate must be sold. In the constitution or by general statute in almost every state the right of corporations to acquire and hold real estate is expressly conferred and is generally limited either by implication or in express terms.

Generally it may be said that corporations have no power to acquire and hold real estate other than for purposes for which they were organized. They cannot purchase and hold real estate indefinitely without regard to the uses to be made of it. The usual provision with regard to insurance companies, holding real estate is that every insurance company transacting business in the state may purchase, hold and convey real property only for the following purposes and in the following manner:

1. The buildings in which it has its principle office and the land upon which it stands; 2. such as shall be requisite

Heads Counsel



FRANCIS V. KEESLING

Frances V. Keesling, vice-president and general counsel West Coast Life, who has taken high rank as an executive as well as in the legal profession, was elected president of the Association of Life Insurance Counsel at its annual meeting in New York this week.

for its convenient accommodation in the transaction of its business; 3. such as shall have been mortgaged to it in good faith by way of security for loans; 4. such as shall have been purchased at sale upon judgments, decrees or mortgages obtained or made for debts previously contracted.

This is followed by a further provision that real estate such as is not necessary for the accommodation of the company in the transaction of its business shall be sold or disposed of within a certain period of time.

James C. Jones, Sr., first vice-president and general counsel American National, read an interesting paper on the Rositzky case of Missouri, in which the non-forfeiture law was held applicable to the double indemnity feature of a life policy. Mr. Jones said that the pitfall may be avoided in future by adding the double indemnity provision by rider and separately stating the premium due for such coverage.

A. D. Christian, reporting for the committee on uniform death claim blanks, stated that out of 166 companies 134 have adopted the uniform blank and that of the others only ten had replied that they do not intend to conform.

Committee Continued

Reporting as chairman of the committee on the incontestable clause, F. V. Keesling, vice-president and general counsel, West Coast Life, requested the continuance of the committee for further consideration of the advisability of any change, and the committee was continued.

Mr. Bates reported for the executive committee that the association was cooperating with the American Life Convention in compiling a composite index in pamphlet form of a cumulative index of papers of both associations and of certain legal periodicals, and that it was hoped that the work would be completed before the next, or spring, convention.

Wednesday morning's session opened with the paper on "Admissibility of coroner's verdicts" by Joseph D. Frank, assistant general counsel Lincoln National Life. Samuel Davis, associate counsel John Hancock Mutual Life, had as his subject, "The statute of wills and life insurance." The final paper was by Sam T. Swanson, general counsel Northwestern Mutual Life, on "The Effect of Merger on Corporate Trustee Beneficiaries or Assignees."

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Mutual Life Makes Slight Reduction in Its Dividends

WEST COAST LIFE UNDECIDED

Vice-President Sargent Says Policyholders Are More Interested in Safety

The Mutual Life of New York has made a slight reduction in its 1932 dividend schedule. The reduction per thousand in insurance at age 35 will not exceed 50 cents for an ordinary life, 38 cents for 20-payment life and 21 cents for 20 year endowment. Approximately \$42,000,000 has been appropriated to take care of the 1932 dividends. It is expected that there will be a slight increase in the contingency reserve after the payment of dividends.

In making the announcement, Vice-President George K. Sargent said that safety, stability and true service of life insurance had been thoroughly demonstrated during the past two years, but it has not entirely escaped the effect of readjustment which has been going on.

Interested in Safety

"In deciding upon a reduction in the amount payable for dividends in 1932, the trustees and officers believe that the policyholders would be more interested in even greater safety and security than a dividend of a few cents more per thousand of insurance. Confining the 1932 dividends to the net gains for the year 1931 was the objective in fixing the new scale. The management believes that the present period is one that should be marked by conservation rather than distribution, and that first consideration should be given to keeping the company's financial house in order. All of this will be accomplished through the new scale and without reducing the contingency reserve."

West Coast Undecided

The West Coast Life current dividend year does not commence until June 1, 1932, so it has made no decision on a new scale. Vice-President Gordon Thomson, in commenting on the dividend situation, said that taking into consideration the prevailing conditions affecting security values, interest yield, mortality and disability, in his opinion the trend of immediate and future dividend scales will be downward. The problem is an individual one for each company but he believes that all should take a long view into the future and begin to prepare for lower future interest yield and asset values. "While one of the main laudable considerations of life insurance companies is to furnish insurance at low net cost, consistent with first-class security, the latter should never be sacrificed to the former. In these times it certainly behooves companies to be conservative in their policy dividend declarations. The maintenance of the dividend scale is less important than the building up of necessary contingency reserves and free surplus as a future shock absorber."

Government Mortality Figures Not Conclusive

Death rates from various causes shown in the "Weekly Health Index" published by the division of vital statistics, Bureau of the Census, Department of Commerce, curiously enough show decline, although there appears to be almost uniform opinion among life company executives that their mortality on insured lives will be considerably higher for 1931.

The government survey for the first 48 weeks of this year on reports from 82 cities on automobile deaths shows a death rate this year of 19.9 compared with 20.1 in the same period last year.

Only a slight increase is reported on industrial life policies for the same period, the rate this year being set at 9.6 as compared with 9.5 for the same period last year. General deaths (excluding stillbirths) in the 82 cities show a ratio of 11.8 in the first 48 weeks this year as against 11.9 in the same period last year.

Subject Not Treated

It is of interest to note that the subject of mortality was not dignified by a set address at the meeting of the Association of Life Insurance Presidents in New York, although for years it has regularly been treated at the annual meetings. It had been considered for a place on the program, but it is understood a speaker could not be found to present the subject in the way which was thought best.

Analysis of the mortality situation by close students appears to indicate that suicides and accidental deaths—which admittedly are much greater as a result of economic distress—are not in themselves a sufficient factor to explain the large increase expected in mortality. Instead it is believed the important factor is a much keener insurance buying market, together with the fact that the rush for volume in the last few years caused many companies to let down the bars.

How to Deal With Trustee After Merger Is Explained

SWANSEN DISCUSSES PROBLEM

Life Insurance Counsel Hear Timely Advice in View of Banking Upheaval

"The Effect of Merger on Corporate Trustee Beneficiaries or Assignees," was the title of the timely analysis presented by Sam T. Swansen, general counsel for the Northwestern Mutual Life, before the Association of Life Insurance Counsel at its meeting in New York.

Life insurance, he pointed out, is interested in the question in order to know to whom payment may be safely made and avoid the danger of double payment.

"Where the trust rests in contracts," he concluded, "and court approval is not necessary, it seems to me insurance companies may safely deal with the succeeding trustees where such is clearly the legislative intent. The case of wills should not cause much trouble if the consolidation or merger was consummated before the testator's death. At any rate, payment will be made only

upon receipt of a certified or exemplified copy of the letter issued by the proper court, and if the letter runs to the consolidated company, court approval may be safely assumed.

States Are Classified

Mr. Swansen has grouped the various states, according to legislation affecting succession to trust powers.

In the following states the right of the new corporation to execute trusts of constituents is expressly provided: Colorado, Connecticut, Indiana, Kansas, Kentucky, Michigan, Minnesota, Missouri, Montana, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Tennessee, Washington, West Virginia, Wisconsin and Wyoming.

In the following states the new company succeeds to the trusts of constituents: California, Georgia, Nevada, New Jersey, New Mexico, New York, South Carolina, Vermont and Virginia.

In the third group consolidation and merger are under the general corporation laws: Delaware, Florida, Idaho, Illinois, Maine, Maryland, Utah.

In Alabama, Arkansas and Massachusetts the statutes authorize consolidation, but are silent on succession to trusteeship.

In the final group are the states without statutes on consolidation applicable to banks and trust companies: Arizona, Iowa, Louisiana, Mississippi, Nebraska, New Hampshire, Oklahoma, Rhode Island, South Dakota and Texas.

The December Horoscope

The Turquoise is the December birth stone and it symbolizes success.

Light blue and pink are your lucky colors.

The Narcissus is the December birth flower.

Great energy characterizes persons born in this month. Their energy makes them impulsive yet progressive in business. They are up-to-date and therefore always in line for success.

Some of the great men of history born in December are Carlisle, Milton, Beethoven, Disraeli, Isaac Newton, Gladstone, Whittier and Kipling.

If you are in the life insurance business but not now under contract may we suggest that you need the helpfulness of our management which is capable of appreciating your ability and is in a position to make the most of it.



Royal Union Life Insurance Company

Des Moines, Iowa

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J. J. SHAMBAUGH, Pres.

B. M. KIRKE, V. P. & Field Mgr.

W. D. HALLER, Sec'y



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The unusually attractive contract under which agents for the Great Southern work has helped a great deal to make this Christmas merry.

The liberal first year and exceptionally large renewal commissions provided for in their contract has been a welcome assistant in this year of economic turmoil. The contract direct with the home office has allowed greater and more personal cooperation when it was most needed. The actual field experience of company officials has aided in meeting difficult situations as they occurred.

There is available some very attractive territories in which industrious men will be able to greatly improve their financial condition by promptly becoming associated with the Great Southern.

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GREAT SOUTHERN LIFE INSURANCE COMPANY

E. P. GREENWOOD - PRESIDENT
HOUSTON TEXAS.

Dunham Amplifies Reasons Requiring Dec. 31 Values

CITES THE CONNECTICUT LAW

Better for Stockholders as Well as Policyholders to Have "True Report,"

He Says

In a communication to the National Convention of Insurance Commissioners, Col. H. P. Dunham, Connecticut commissioner, has amplified the reasons for his refusal to accept June 30 market prices as the value of stocks in annual statements. Although values must be entered as of Dec. 31 in Connecticut, Col. Dunham advises that he is prepared to accept reasonable valuation of bonds and other securities having a fixed term and rate and not in default as to principal or interest and if amply secured on an amortized basis according to the Connecticut law.

New York Exchange

The communication was in the nature of a minority report as a member of the committee on valuation of securities. Col. Dunham points out that he has no discretion to modify the specific requirements of the Connecticut law. He cites the provision of the Connecticut law that a "true report" of the financial condition of companies shall be submitted Dec. 31.

Col. Dunham states that there can be no true report on Dec. 31 unless the valuations at that time are correctly stated.

The market value of securities on the New York stock exchange can gener-

Passé Club of Former Commissioners Meets

NEW YORK, Dec. 10.—The former commissioners met in their new organization the Passé Club, during the meeting of the National Convention of Insurance Commissioners here, with J. V. Barry as president. C. W. Hobbs presented proposed by-laws which were adopted, calling for ten vice-presidents, bouncers, auditor and counsel.

ally be taken, he said, to be the price at which such securities are freely bought and sold at that date. However, he said, assets which have no quick market and evidence of debt may legally need to have the values at a given time otherwise ascertained.

Any attempt, he said, before Dec. 31 to dictate stock values for the purpose of a true report is futile and illegal. The reports required of companies are not supposed to be based on average prices but on values at the end of the year.

Col. Dunham adds that the Connecticut law provides for imprisonment up to five years for making a false report to the commissioner with intent to deceive him, the stockholder or policyholder. If he should agree to the use of any value except those of Dec. 31, he said that he might be held to be permitting the filing of a report with intent to deceive.

The Connecticut commissioner denies that "a campaign against the majority (CONTINUED ON PAGE 24)"

Neighbors Get Similar Honors



L. C. WITTEN

On the same floor of the Union Trust Building, the 15th, in Cincinnati are located the offices of Charles J. Iredell, general agent of the Penn Mutual and Lawrence C. Witten, general agent of the Massachusetts Mutual, both of whom this year are presidents of the general agents' associations of their respective companies. This coincidence was brought about by the removal recently of Mr. Iredell's offices from the fifth floor, where the Penn Mutual had maintained its headquarters for many years.

It might also be remarked that these are two of the outstanding general agencies in Ohio, with splendid records of performance. The Penn Mutual general agency was founded by James W. Iredell, Jr., who went to Ohio from Pennsylvania and took the general agency embracing a number of states.



C. J. IREDELL

Mr. Iredell had previously been a superintendent of agencies for the Penn Mutual and had been connected with the company since 1868. The Penn Mutual agency has been established in Cincinnati for over 75 years. C. J. Iredell went with the company in 1893.

Mr. Witten went to Cincinnati in 1915 when the Massachusetts Mutual agency was comparatively small and has within a few years built up one of the outstanding agencies of his company. He is a Virginian by birth. He now has an organization of 20 men against none right after the war when he returned from service. Both the Penn Mutual and Massachusetts Mutual have a number of the leading producers of the city in their ranks and show an exceptionally high average of production per man, due to the caliber of the men making up the agency organizations.

Commissioners in Session on National Benefit Life

BILL OF COMPLAINT FILED

Former Officers of Negro Company
Charged with Gross Irregularities
Abetted by Late A. B. Dawson

NEW YORK, Dec. 10.—Superintendent Davis of the District of Columbia called a meeting of a number of commissioners to consider the status of the National Benefit Life of Washington, D. C., the big Negro company that was formed, impaired and a receiver appointed. The impairment is upward of two millions. There is no hope of raising enough money to resuscitate it. Some hoped a form of mutualization might be adopted to save it. Experts declare its condition hopeless.

Superintendent Davis said that investigation had revealed gross irregularities on part of the chief officers, aided and abetted by the late actuary, A. B. Dawson of New York, and a bank. Very ugly charges were made. Mr. Davis stated that prosecution should be started and if possible restitution be forced on those that he declared had mulcted the company.

Judge Davis reported that Receiver D. C. Roper recommends that unless the stockholders make good the impairment the company should mutualize; if mutualization cannot be perfected, the receivers should continue as at present. Mr. Davis stated an attempt would be made to force restitution on part of those responsible for alleged irregularities. This is the largest Negro institution in the country and has seventy millions in force.

BILL OF COMPLAINT FILED

WASHINGTON, D. C., Dec. 10.—A bill to cancel stock, for injunction, accounting and other relief has been filed by John T. Risher in behalf of the National Benefit Life in the supreme court of the District of Columbia directed against R. H. Rutherford, former president; S. W. Rutherford, former secretary; other former directors, and Miles M. Dawson & Son. The bill asks the court to act in 23 directions. An intricate story of stock manipulation and other irregularities is alleged in the bill.

For many years, the bill charges, the Rutherfords by improper and reckless investments and by paying dividends out of capital brought about a condition where the liabilities exceeded assets. False and fraudulent statements to insurance departments are charged. In 1927, the bill alleges, the Rutherfords swore to a statement that the capital stock had been fully paid for when 8,631 shares had not been paid for in whole or in part. Because of allegedly false and fraudulent statements filed in Georgia the bill sets up that the National Benefit was permitted to take over the Standard Life of Georgia and the Standard Life of Arkansas.

Avoided Examination

Allegedly with the connivance of the late Alfred B. Dawson, the bill charges that the Rutherfords "forestalled and avoided the usual and thorough examination" of the National Benefit records by the Georgia and other departments. A conspiracy is charged that the officers, directors and Dawson for purposes of the 1927 statement created fictitious assets and made it appear falsely that the 8,631 shares had been subscribed. It is charged that the Rutherfords and Mortimer F. Smith pretended to purchase 9,000 shares at \$50 per share less selling expense of 15 percent. The charge is that certificates for the 9,000 shares were issued to the Rutherfords and Smith, who, it is alleged, issued them as security for a pretended loan in the amount of \$382,500 obtained upon the personal note of the two Rutherfords and Smith. According to the alleged conspiracy,

the proceeds of this pretended loan were to be made available on paper to the National Benefit. The bill sets up that the Rutherfords and Smith gave their promissory notes to the National Park Bank of New York City, which made two certificates of deposit, but retained them in its possession, under the pretense that they were being held as collateral security, on a guarantee of the National Benefit of the payment of the personal notes of the two Rutherfords and Smith, although the bank had accepted and had in its possession as security certificates for the 9,000 shares, "fraudulently issued," certificates calling for 4,078 additional shares belonging to the two Rutherfords and Smith, a collateral note of Robert H. Angell for \$50,000 secured by a certificate for 1,075 shares of United Life & Accident, and certain other collateral posted by certain other persons.

Paid Excessive Price

The bill sets up that the two Rutherfords and Smith, in consideration for the posting of security by Angell and others, agreed to purchase from them certain bonds of the Potomac Joint Stock Loan Bank of Alexandria, Va., for an allegedly excessive price.

The bill then goes on, alleging further complicated manipulations and charges:

(CONTINUED ON LAST PAGE)

American Life Convention 1932 Meeting in Toronto

TO HAVE INDUSTRIAL SECTION

Executive Committee Votes for Its
Establishment at New York Meeting
—No Action on "Ad" Section

NEW YORK, Dec. 10.—The annual meeting of the American Life Convention will be held in Toronto, probably the first week of October. The executive committee so decided at its meeting here this week. A committee of three of which John M. Laird of the Connecticut General, president of the organization, is chairman, was appointed to canvass the field and recommend a man for secretary and actuary to succeed W. P. Coler, who becomes actuary of the American Central.

To Establish Industrial Section

The financial section had a meeting in St. Louis a few days ago to consider some of the problems before the companies and requested that the executive committee reaffirm its faith in farm

mortgages as basic investments for life insurance funds. This the committee did.

The committee voted to establish an industrial insurance section. W. J. Bradley of the Home Life of Philadelphia appeared before the committee with a decisive poll he had taken of the member companies writing industrial. All favored the establishment of such a section with one or two exceptions. The setup of the mechanics of the new department is left to executive officers. It is not likely that any additional assessment will be made on the industrial business to carry on the work.

Ad Section Deferred

No action was taken on the proposition to establish an advertising section. It seems not to be regarded with favor.

The members present were president J. M. Laird, General Manager Elliott, Secretary Coler, C. W. Gold, Pilot Life; W. E. Webb, National Life U. S. A.; F. P. Manly, Indianapolis Life; Daniel Boone, Midland Life; F. V. Keesling, West Coast Life, and the following ex-presidents: J. B. Reynolds, Kansas City Life; H. B. Seay, Southland Life; Henry Abels, Franklin Life; L. J. Dougherty, Guaranty Life; H. M. Woollen, American Central, and E. G. Simmons, Pan-American.



WORKING PLANS THAT SELL

You have often heard of Selling Plans that Work. The Organized Sales Plans of the Minnesota Mutual are really Working Plans that Sell.

They include a complete schedule for each week's work and have helped to make 1931 production thus far for the Company, exclusive of Group Insurance and Reinsurance, 99.9% of the same period of 1930.

The result is that the Field Men with the Minnesota Mutual on the average, have not accepted a salary cut in commission earnings. Their Working Plans have been and are Working.

Are you interested?

THE MINNESOTA MUTUAL LIFE INSURANCE CO.

Saint Paul, Minnesota

Commissioners in Valuation Debate

(CONTINUED FROM PAGE 3)

conditions the market quotations on stocks and bonds for a particular day are not a fair standard for the ascertainment of fair market value of such securities, and recommends as a present substitute therefor the average price of stocks and bonds as reflected by the exchanges for a range of five quarterly periods ending Sept. 30, 1931.

"Resolved, That since the fair average thus ascertained is approximately the closing price of securities on June 30, 1931, the prices of June 30, 1931, be taken as the fair market value during the current year and that such standard be accepted for the annual statements due as of Dec. 31, 1931, except that securities should not be valued at more than the purchase price if purchased since June 30, 1931.

Left to Commissioners

"Resolved, That in cases where the conditions of companies may require the immediate disposition of securities at present prices it is the opinion of this committee that the discretion of a commissioner of insurance should be exercised to vary the general formula herein set forth so as to adopt the prices then reflected by the exchanges.

"Supplementing the resolution as to market values of securities upon an average basis instead of the exchange quotations of Dec. 31, it is further resolved that in the valuation of bonds which have defaulted in principal or interest since June 30, 1931, and in the valuation of stocks and basis of corporations in receivership since June 30, 1931, the convention value shall be the exchange quotations of Dec. 31, 1931, instead of the average value as provided in the principal resolution."

The resolution of the committee on valuation of securities was presented by Chairman Van Schaick. He gave the

history of the resolution and the reasons which had actuated the committee in its adoption. There was a general discussion, participated in by Dunham of Connecticut, Lowry of Mississippi, Mortensen of Wisconsin, Davis of the District of Columbia, Tarver of Texas and Reese of Tennessee.

The vote was taken and President Livingston announced that it would not be necessary to poll the states, as there were only three states in opposition.

A motion was then adopted directing the secretary to send the resolution to the commissioners of all the states, together with a copy of the statement which was made by the chairman of the committee on valuation of securities in presenting the resolution to the convention.

Dunham's Stand Broadcast

It was announced that the dissenting report of Colonel Dunham of Connecticut had already been sent to the commissioners of the various states.

Superintendent Van Schaick, in upholding the average method of valuation, said:

"It has been the custom to appraise the value of securities carried as assets by companies and reported in the annual statements at the price quotations for Dec. 31 in each year as reflected by the exchanges.

"Under ordinary business conditions this is sufficiently accurate. To do so under the unprecedented economic and financial conditions now prevailing would be unfair and inequitable to companies where the business of insurance is prosperous, the management competent and honest and the investments of high character.

"The exceptional and sensational fluctuations in market quotations prevailing during the final months of this year make it desirable to abrogate the practice of taking the market quotations of a particular day as indicative of fair market value.

"There is ample precedent for such modification of the general rule. In

1907 the superintendent of New York was advised by the attorney-general that it was not prescribed by any statute of this state that he should appraise the securities enumerated in such annual statements at the market value prevailing on any specified day.

"The attorney-general pointed out that if the superintendent were required arbitrarily to appraise values prevailing in the market on Dec. 31, such practice might result in an appraisal widely at variance with fair market value.

Many Artificial Factors

"He further pointed out that extraordinary circumstances, such as reckless manipulation of securities, stringent monetary conditions or panics, might create a temporary market price for a security at such a low level as to be utterly inadequate to indicate its actual market value; that uncommon situations in the market might result in the establishing of an extravagantly high market price, one far in excess of its actual value.

"The National Convention of Insurance Commissioners took the same position in 1907, and in 1907, 1914, 1917 and 1918 to 1921 adopted as a substitute for the actual market quotations on Dec. 31 of each of those years various averages over a period as a proper standard for ascertaining fair market value.

Usual Standard Inaccurate

"The resolution of the committee on valuations now presented to the convention is nothing more than the adoption of a standard during unusual and abnormal conditions in place of a standard which for the time being is inaccurate. It is to the interest of the vast army of policyholders that the assets backing their policies should not be needlessly sacrificed.

"Unless such a pronouncement as this is made and adopted by the insurance departments in the various states there will be every incentive for companies to dispose of essentially sound securities forthwith. If that is done, the situation

Loan Inquiry Results in Selling \$10,000 More

When a Virginia business man carrying \$20,000 in the Guardian Life recently borrowed up to the limit on the policy, H. W. Vaiden of Richmond, state manager, sent one of his men to inquire why the policyholder was cashing in on the loan value. The inquiry disclosed that the policyholder had not only borrowed all the money available on his Guardian policy but had obtained the entire loan value on \$45,000 additional insurance carried in other companies. Instead of cashing the checks, totaling some \$13,000, he had put them away in his safe. His explanation was that it was perhaps well to have the money around handy in days of depression and that he would cash the checks as he needed the money. Finding that he was still a firm believer in life insurance, the Guardian man proceeded to write him for an additional \$10,000 on the spot, increasing his coverage to \$75,000. Most of the insurance is straight life.

will be greatly aggravated. This wholesale dumping of securities will in turn aggravate the existing unsettled state of the country's economic activities.

"There is nothing new or radical in the proposal. The resolution by its term is applicable only to companies whose financial condition is such that they do not need to resort to an immediate market to obtain funds from their securities for corporate purposes. In the case of companies requiring the immediate disposition of securities at present prices, it is recommended by the resolution that the discretion of an insurance commissioner should be exercised as to the adoption of the convention values.

"The New York department recognizes that under certain abnormal conditions the range of the market over a reasonable period is a more accurate



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guide to fair market value than the prices of a particular day; that the present situation of the securities market is similar to that which led to such conclusion and action by the New York department in 1907 and again in 1917.

"Companies which are fundamentally sound should not be forced into an embarrassing condition because good assets are temporarily frozen. The appraisal of securities at less than fair market value has a tendency to force liquidation at a sacrifice. This is not for the best protection of policyholders, which is the paramount concern of the department.

Forced Liquidation Needless

"The forced liquidation of essentially sound companies is a needless hardship. The discretion of the superintendent of insurance in New York will be exercised to vary this general formula of average values of the national convention as special circumstances demand. Circumstances may arise where the carrying out of a company's contracts requires the liquidation of securities to meet its maturing obligations. In such cases it is obvious that the immediate market must be used in order that a correct reflection of financial conditions be had."

The keenest sort of interest was taken in the meeting of the insurance commissioners this week because of the securities subject. Commissioner Dunham of Connecticut stuck by his guns for Dec. 31 valuation. At times it seemed to be a fight between Hartford and New York City, inspired perhaps more by the fire companies than any other group.

Company executives were here in large numbers and with few exceptions urged the modified June 30 figures.

The convention held a brief session Monday morning with President Livingston of Michigan in the chair. An adjournment was taken in a short time so that the committee on valuations could hold an executive session.

Dunham Presents Views

Col. Dunham expounded his views at length and declared that the laws of his state compelled him to use the Dec. 31 figures. His position was attacked vigorously by other commissioners. The committee voted on the June 30 quotations. A subcommittee headed by Hanson of Illinois worked all the afternoon on methods to be pursued in special cases. The convention reassembled Tuesday morning, but soon went into executive session to consider the report of the valuation committee. It was a strenuous meeting, lasting until nearly 1 o'clock. Another meeting was held Wednesday morning.

All present were guests at the Equitable Life of New York at luncheon at the Hotel Pennsylvania Wednesday noon, its home office building being next door.

Actuary Tate of Kentucky, chairman of the committee to formulate procedure in convention examinations because of the lack of a systematic plan, reported. The report proposed many details so that there can be a standard. It was adopted and copies will be sent to all states.

Create Permanent Life Committee

The executive committee of the American Life Convention petitioned the commissioners to withdraw the mandatory requirement that disability be permanent after lapse of time. Tarver of Texas moved that a permanent life committee be established to which this and other life insurance matters be referred. This was ordered.

B. A. Dugal of Quebec, head of the Canadian commissioners organization, was presented and brought greetings.

Commissioner Tarver of Texas told about plans for the annual meeting at Dallas. Business meetings will be held the first two days of the week. The conventioners will go to Houston and then to Galveston. The final business meeting will be held at Galveston. Thirty-four states were represented at the New York meeting.

Advanced in the Life Presidents' Association



VINCENT P. WHITSITT

Vincent P. Whitsitt, who has been elected assistant manager and general counsel of the Association of Life Insurance Presidents, has been connected with the association for more than 11 years and has been its general counsel for the last two years.

American Home Union Plan Is Turned Down in Kansas

TOPEKA, KAN., Dec. 10.—Commissioner Hobbs has refused to allow the American Home Union of Illinois to sell its membership certificates in Kansas with a \$200 burial certificate thrown in with each membership. The American Home Union is licensed under the federal statute which permits organization unions for various cooperative purposes. It will be the holding company for the Home Union Life, which will write the burial certificates. Mr. Hobbs held that the plan involves the sale of life insurance and the company must be admitted to Kansas in order to sell the membership and benefit certificates.

Schriver to Speak in Milwaukee

MILWAUKEE, Dec. 19.—Plans are being completed for a luncheon meeting Dec. 16, to which all life insurance men in Milwaukee will be invited. The committee in charge includes G. T. Vermillion, Mutual Life of New York; V. M. Stamm, Northwestern Mutual Life; A. A. Heald, Provident Mutual; A. J. Butzen, Massachusetts Mutual Life, and Thomas Melham, Central Life of Iowa.

L. O. Schriver, general agent Aetna Life at Peoria, Ill., and secretary of the National Association of Life Underwriters, will be the speaker.

Mathus Directs Ad Effort

K. H. Mathus, advertising manager of the Connecticut Mutual Life, has been appointed chairman of a sub-committee to gather the advertisements which insurance advertising men are getting up for Life Insurance Day in national thrift week. A. G. Borden, chairman of the life insurance day committee, has sent out a call for advertisements to be used on that day.

Security Hearing Jan. 11

Hearing in federal court in Detroit on the petition of the Security Life of Chicago for a permanent injunction to restrain Commissioner Livingston from enforcing revocation of the Security's license in Michigan will be held Jan. 11. The hearing has been delayed for several months.

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LIFE INSURANCE EDITION

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FRANK A. POST, Associate Editor
CHARLES D. SPENCER, Associate Editor
DALE R. SCHILLING, Associate Editor

PUBLICATION OFFICE, 41946 Insurance Exchange, CHICAGO. Telephone Wabash 2704
CINCINNATI OFFICE, 420 E. Fourth St., Telephone Main 5781. RALPH E. RICHMAN, Manager
ABNER THORP, JR., Director Life Insurance Service Dept.

NEW YORK OFFICE
803-123 William St., Tel. Beekman 3-3958
GEORGE A. WATSON, Associate Editor

DETROIT OFFICE
1015 Transportation Bldg., Tel. Randolph 3994
A. J. EDWARDS, Resident Manager

SOUTHEASTERN OFFICE—ATLANTA, GA.
204 Atlanta National Bank Building
W. J. BATH, Resident Manager

NEW ENGLAND OFFICE
139 Summer St., Weymouth, Mass., Tel. Wey. 2158-R.
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Importance of Seeing New Faces

IN AN agency bulletin the NEW YORK LIFE emphasizes the importance of seeing new faces and not hanging too long or too continuously on old prospects, especially at this time when there have been such radical changes in the paying ability of people. A prospect a year ago may not be one today. If there ever was a time when agents needed to revise their prospect list it is now. There are men who are in a better position than they have been to buy insurance because the cost of living is lower and their salaries or compensation have not been decreased. Here is what the NEW YORK LIFE says:

"Stop it. Don't do it. You can grow awfully stale in going after prospects whom you cannot close and the result has a demoralizing and depressing effect on your mentality. Put your old uncloseable-for-the-moment prospects on a reserve list. Pick 'em up later. By that time conditions may have changed or the family situation may have improved, enabling you to see them again with a more convincing argument and some chance of success. Continually be on the lookout for new faces, for broadening lines of new clients. Don't confine yourself to a particular class of business so that if anything goes wrong you may

have to locate yourself all over again. That is bad management. Some agents compile lists of prospects and their vacation dates. A personal letter upon your prospect's return, timed to be a little ahead of your call, sometimes proves very effective.

"In calling on prospects, brief and to-the-point sales talks are best for the real results. No matter how well boiled down your sales canvass is, look for additional short cuts, quicker approach methods, and snappier getaways. An effective demonstration or an understandable chart or picture is worth a ton of talk. Pick out one to fit your particular prospect. Demonstrations are time savers and in speeding sales are particularly valuable. They secure the prospect's attention and open the subject of life insurance in a way that is interesting.

"Then again when calling on a certain prospect, look about for those business fields which are especially active in the current season. Wherever you happen to be, call on the man who is getting the business. Keep your prospect list in a constant state of change. Eliminate the deadwood and add new names. Continually be on the lookout for new faces. Keep seeing the people."

Need for Adequate Reserves

PRESIDENT ECKER of the METROPOLITAN LIFE in speaking to his own field force at one of the company's conventions made some pertinent comment on business conditions, stating that one of the lessons to be drawn from the economic depression is the necessity for corporations to fortify themselves by strong cash reserves to meet emergencies. He declared that in spite of the surface conditions, business in general made a much more effective provision against the present depression than had been supposed.

Insurance is particularly interested in the subject of reserves. Companies perhaps did not anticipate the sharp decline

in security values and the general effect of a business cyclone. It is the companies that laid by for the rainy day that are weathering the storm. Institutions well ballasted by reserves are able to withstand terrific jolts. There are certain legal requirements in the way of reserves that should be met. These should be put up in full. Then there should be adequate reserves for unpaid claims. There is a need for sufficient contingency reserves to meet fluctuations, emergencies and unforeseen and unheralded conditions that retard progress. That requirement can not be ignored.

PERSONAL SIDE OF BUSINESS

John W. Blevins of Chattanooga, Tenn., until recently vice-president and manager of agencies of the Interstate Life & Accident, sustained a fractured right shoulder, fractured rib and a badly bruised side, when his car crashed into the curb after it was struck from the rear by another car.

Frank L. Stein, 53, for many years a director of the Columbus Mutual Life, died suddenly last week. He formerly was president of the Ohio National Bank, Columbus.

Samuel F. Clabaugh, president of the Protective Life, has been elected vice-president of the Birmingham Chamber of Commerce.

Benjamin P. Johnson, general agent for the Abraham Lincoln Life at Springfield, Ill., died recently at the age of 51. He had represented the Abraham Lincoln for 16 years.

J. E. Josey, board chairman National Standard Life of Houston, has acquired control of the Houston "Post-Dispatch" from Governor Ross S. Sterling. The "Post-Dispatch" is one of the oldest and best papers in the southwest. In gaining its control Mr. Josey adds to his long string of business investments. He also has been successful in oil, lumber, grain, insurance and financial ventures.

As a Christmas gift Z. A. Marvin, board chairman Gulf States Life, and his family will take a trip around the world. Mr. Marvin is a very hard and diligent worker, who has put his company into fine condition and has also surrounded himself with competent executives who can ably carry on in his absence. The Gulf States is entirely under the direction of President William Laidlaw, who has been associated with Mr. Marvin for many years.

Miss Hazel E. Blair, associate editor of the "Insurance Review," St. Louis, has resigned effective Jan. 6 and will go to New York City to take up insurance publicity work and engage in fiction writing.

H. Kenneth Cassidy, general agent of the Pacific Mutual at Houston, a captain overseas during the war, already the possessor of that most coveted of American decorations, the Distinguished Service Cross, has been awarded the additional honor of an oak leaf cluster to be placed on it. The cluster, by direction of President Hoover, was given for extraordinary heroism in action near Ancerville, France, May 4-5, 1918, and will be presented soon by the commanding general of the seventh corps area at Omaha with the usual formal ceremony of a turnout of the entire command, a hollow square, etc.

Kenneth Torrance, son of J. H. Torrance, vice-president of the Business Men's Assurance, and a nephew of President W. T. Grant, was killed Dec. 6 when the automobile in which he and companions were riding turned over on the outskirts of Kansas City.

An honor graduate of the University of Missouri in 1929, Kenneth Torrance headed the reinsurance and group insurance department of the company at the time of his death. He was 24 years old.

M. E. Singleton, former president Missouri State Life, is recovering from injuries sustained recently when he became seriously ill, fainted and fell in a St. Louis office building.

Elbert Storer of Indianapolis, president National Association of Life Underwriters, made two addresses last week before local associations at Omaha, Neb., and Lafayette, Ind. Both were well attended. Mr. Storer says he is be-

ing given most encouraging cooperation and support from all parts of the country and that this is deeply appreciated. He left Indianapolis Monday to attend the annual meeting of the Association of Life Insurance Presidents in New York. On Dec. 17 he will address the Gary (Ind.) association.

Edward D. Rae, 72, for 31 years Travelers district agent in St. Louis, was stricken with a hemorrhage last week and died.

Victor M. Stamm, home office general agent for the Northwestern Mutual Life, has been elected vice-president of the Milwaukee county council Boy Scouts of America.

T. J. Mohan, field manager Eureka-Maryland Assurance, speaking on "Social and Economic Status of Industrial Life Insurance," F. P. Martin and W. J. Horner, both of Philadelphia, were scheduled as the principal speakers for the Schuylkill County Insurance Day at Pottsville, Pa., Dec. 10, under the auspices of the Insurance Federation of Pennsylvania, with H. W. Teamer, secretary-manager of the Pennsylvania federation, as toastmaster, and H. R. Deitrick, chief of the brokers' division of the Pennsylvania department, Harrisburg, as honor guest.

Joseph M. Stephenson, president-treasurer of the Conservative Life of South Bend, has sold the South Bend "Times," of which he has been owner and publisher, and will devote his entire time to his duties in connection with the Conservative Life. He will handle the investments. Mr. Stephenson is only 39 years old and is connected with the active management of several South Bend organizations.

George G. Taylor, agent at Richmond, Va., for the Guardian Life, and Miss Gladys Elizabeth Seaton of that city were married last week. Mr. Taylor is a younger brother of Charles G. Taylor, Jr., recently appointed third vice-president of the Metropolitan Life. Both he and his brother received their early insurance training in the office of the Mutual Life of New York at Richmond.

Charles A. Taylor, actuary of the Life of Virginia, and Miss Madeleine Dunn of Richmond were married last week.

Accident and Health Is Helpful in Selling Life

FORT WORTH, TEX., Dec. 10—The Mitchell, Gartner & Walton agency is finding accident and health business profitable. Thirteen active producers of the life department under Manager E. F. White secured 176 accident and health applications in a ten-day period recently. Manager White said accident and health offers a fine approach for life insurance as the contact is easier to make and valuable information is gained from prospects which can be used effectively in selling life insurance. During the ten-day accident and health contest \$15,000 in life business was sold, \$150,000 business insurance developed and a large number of prospects secured. The value of life insurance men selling accident and health business was shown by a life producer who was in a slump and regained his confidence by diligent work in the accident and health campaign.

In gaining information for the accident and health applications, the agents asked two additional questions: "How much life insurance do you own?" and "What companies do you hold it in?" This information was secured in a majority of cases and the prospect didn't realize what it was going to be used for.



First Policy Issued In September 1851

On its Eightieth Anniversary, the Phoenix Mutual Life Insurance Company of Hartford, Connecticut, re-affirms its belief in the simple, logical principles upon which its progress has been built. Each passing year has deepened the conviction that (1) adequate service to the public can be accomplished only through men carefully selected and thoroughly trained, and (2) that such representatives will uphold the high standards of the Company and make the greatest contribution to the welfare of its policyholders.

The Phoenix Mutual will continue to build its field organization of carefully selected and thoroughly trained men. It will continue to support them liberally with advertising and other selling aids. Its purpose is to enable them to enjoy the generous rewards made possible by quality business and the most efficient use of time.

That is why Phoenix Mutual service will always be attractive to business men of outstanding ability and discernment.

Your Active Partner---

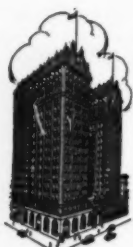
Jefferson Standard Contracts are direct with the Company. This Company is the active partner of every representative in the Field.

Our representatives enjoy this working partnership that supports their efforts with efficient cooperation.

We perform our part in the partnership by supplying our representatives with liberal working contracts, up to date policies, modern sales helps and methods, a fine institutional standing, and excellent policyholder treatment.

Our representatives profit from full advantage of this partner-like interest, cooperation, and support. . . A good Company to be connected with.

●For information address:
A. R. Perkins, Agency Manager



Home Office

JEFFERSON STANDARD LIFE INSURANCE COMPANY

JULIAN PRICE, President

Greensboro, North Carolina

TWENTY-FIVE YEARS OF SERVICE

General Agency Opening in Chicago with an

Eastern Life Insurance Company

Chicago Agency Has Been
Established for 23 Years

Company pays office rent, clerk hire and all incidental expenses.

Home Office Supervisor, temporarily in charge, is seeking a young man who will come into the organization with the idea of becoming General Agent for the Chicago territory within six months or a year, or sooner if it becomes evident that he is capable of handling the job satisfactorily.

All applicants will be carefully scrutinized as to character, business record, financial status. No advances. This is a very superior company and is offering a splendid opportunity to a superior man. Company's lapse rate is one of the lowest in the United States. Premium income on well seasoned business in force in the City of Chicago in excess of \$100,000.00 per year.

No consideration will be given to applicants who do not give full information in replies.

Address in confidence U-49, The National Underwriter.

LIFE AGENCY CHANGES

Hughes to Handle Wisconsin

Named General Agent for Mutual Benefit Life Which Has Just Reentered That State

The Mutual Benefit Life, which recently entered Wisconsin, has received its license and has appointed Frank Hughes, who has been superintendent of the brokerage department in the Drew general agency of the company at Chicago for four years, as Wisconsin general agent with headquarters in Milwaukee. Mr. Hughes at first will concentrate developing the Milwaukee territory and later will branch out in the state. The Mutual Benefit has not operated in Wisconsin since 1907.

Mr. Hughes has had 19 years' life insurance experience, all with the Mutual Benefit. He started at Wilmington, Del., where he was 11 years. Then he went to Denver as assistant general agent. Since that time he has had field service in many sections. He was field service manager at the home office for some time and was acting general agent for the company in a number of cities. He went to Chicago four years ago to take charge of Mr. Drew's brokerage department. Mr. Hughes is a C. L. U.

Several Appointments Made

Continental Assurance of Chicago Names General Agents in Several Midwestern States

Several general agency appointments have been made by the Continental Assurance of Chicago. L. D. Phillips, formerly district agent of the Equitable Life of New York at Burlington, Ia., and a general insurance man, becomes general agent for the Continental there. Cox-Sparlin of Springfield, Mo., a general insurance agency which for some time has represented the Continental Casualty, now is putting in a life department and has taken on the general agency for the Continental Assurance there.

Floyd Abbott is to become general agent at Hutchinson, Kan.

Charles Hooper is appointed general agent at Pittsfield, Ill.

A. C. Palmer

A. C. Palmer, who has been state supervisor in Pennsylvania for the Peoria Life since 1927, has been appointed general agent for the Home Life of New York at Minneapolis. Mr. Palmer has been associated with the life insurance business since 1919, the first part of his career being with the Research & Review Service of Indianapolis. During the latter part of his work there he was director of field service, leaving to join the Peoria Life in 1927.

J. A. Harris, G. C. Summar

J. A. Harris has been appointed general agent for northeast Texas for the Liberty Life of Topeka. G. C. Summar has been appointed general agent for southwest Texas. The appointments were made by F. B. Powell, Texas state manager for the Liberty Life.

Frank W. MacGraw

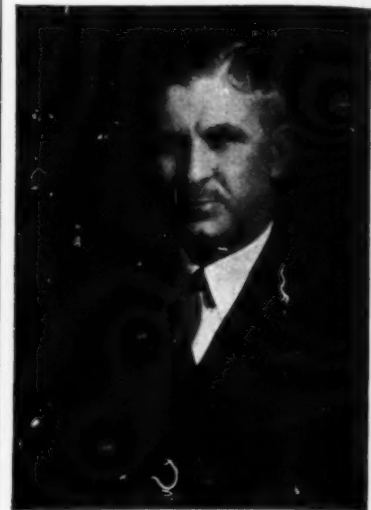
The Franklin Life has appointed Frank W. MacGraw general agent at San Francisco. Mr. MacGraw was with the Western States Life since 1925, beginning as agency organizer for the home office agency, later serving four years as manager of the Golden Gate agency at San Francisco and subsequently handling the company's brokerage department. For the past year he has conducted a general brokerage business in San Francisco.

Cowles Now General Agent

Provident Mutual Assistant Manager of Agencies Succeeds Walter E. Vail in Los Angeles

The Provident Mutual Life has appointed James H. Cowles, now assistant manager of agencies, as general agent for the Los Angeles and southern California, effective Jan. 1. He succeeds Walter E. Vail, who resigns as of Dec. 31 after 43 years' service.

After graduation from the University of Colorado Mr. Cowles entered the



JAMES H. COWLES

Provident organization as special agent in Denver under his father, Irving R. Cowles, with whom he later became associated as general agent. At his father's death in 1922 he became sole general agent for Colorado. In 1928 he resigned to become a sales executive in the home office, and in the spring of 1930 was appointed assistant manager of agencies with supervision over the Pacific Coast, having headquarters in Los Angeles.

Mr. Vail, the Provident's "grand old man," although relinquishing his duties as general agent, will still continue his affiliation with the agency. He and Edward Eldredge left the home office agency in Philadelphia in 1902 to pioneer in California. Their headquarters at first were in San Francisco, but later Mr. Eldredge opened the Los Angeles office, where he was afterward joined by Mr. Vail, Alfred Matthews becoming general agent in San Francisco. Six years ago Mr. Eldredge retired owing to ill health and Mr. Vail became sole general agent in Los Angeles.

The Los Angeles agency has over \$43,000,000 of business in force, and so far this year has paid for over \$5,000,000.

F. B. Richardson

F. B. Richardson has resigned as general agent of the Manhattan Life at Richmond, Va., to join the sales forces of the G. W. Diggs agency of the Penn Mutual there. Mr. Richardson became general agent for the Manhattan last May. He had previously been in the banking business and was formerly head of the Virginia state banking department.

Milton Spencer

Milton Spencer, associated with the Mutual Benefit Life for 10 years, has been appointed manager at Mobile, Ala.

J. R. Edlund

J. R. Edlund has been appointed district agent of the Union Central at Rockford, Ill., with offices at 906 Talcott

building. Mr. Edlund was formerly general agent of the Bankers Life of Nebraska at Wichita, Kan. He succeeds Ben T. Baggett, who will now devote his time to field supervision.

L. A. Ginn

L. A. Ginn, formerly district manager for the Pan-American Life at Harlingen, Tex., has been appointed general agent for the Old Line Life of Milwaukee at Houston, Tex. L. N. Venghaus will be agency supervisor. He was formerly district agent of the Amicable Life at Harlingen.

B. C. Morrow

B. C. Morrow, formerly with the Aetna Life in San Antonio, has been appointed assistant agency manager for the California-Western States Life.

Life Agency Notes

B. P. Dimly, formerly of Indianapolis, has been placed in charge of the Columbus district office of the Western & Southern Life.

R. A. Mayer of Chattanooga, Tenn., special agent of the Equitable Life of New York, has been appointed super-

visor of group insurance for the Equitable in that state.

C. C. Doyle has been made agency assistant in the southeastern Ohio branch of the Connecticut Mutual Life with headquarters in Columbus. He went to the Connecticut Mutual in Columbus seven years ago from Fort Wayne.

G. Y. Parsons and E. W. Durand of Los Angeles have been appointed district managers at San Francisco for the Kansas City Life. Mr. Parsons has been handling general insurance lines at Los Angeles, while Mr. Durand was formerly with the Missouri State Life.

Conducting Field School

The Indiana agency of the Equitable Life of New York is conducting a two weeks' field school at Indianapolis under Wade Heavey, home office instructor. This is the second field school held this year by the Indiana agency with a total attendance for the two in excess of 100.

South Bend Agency Rally

Sixty-five producers attended the annual meeting of the Mutual of New York agency at South Bend. Argyle Brown, manager, was in charge of the morning session and J. A. Forrest, agency organizer, in charge of the afternoon session. Fourteen leading producers participated in the program. There was a banquet in the evening.

ACCIDENT-AND HEALTH FIELD

Big Attendance at Meeting

Executive Committee of Health & Accident Underwriters Conference Holds Session in Chicago

The meeting of the executive committee of the Health & Accident Underwriters Conference in Chicago, as was the case last year, assumed virtually the proportions of a mid-winter meeting of the conference, with more than 60 in attendance at the general meeting, representing 31 companies.

C. E. Spangler of the Woodmen Accident was elected a member of the executive committee to fill the vacancy caused by the death of E. J. Faulkner of that company.

Plans for the annual meeting, to be held at the Edgewater Beach hotel, Chicago, June 7-9, were discussed. It was

decided to hold the conference golf tournament Monday, June 6. There will be four business sessions, Tuesday morning, Wednesday morning and afternoon and Thursday morning. Tuesday afternoon will be devoted to entertainment features, open to both golfers and non-golfers.

The main interest at the meeting centered in the discussion of the tentative agreement recently reached by a number of companies writing quarterly premium business in regard to policy phraseology and underwriting practices, the final details of which had just been completed.

The committee on qualifications for membership, appointed at the Washington meeting, was not ready to submit a formal report, but Chairman W. T. Grant, Business Men's Assurance, outlined some of the requirements which might be made in connection with new companies entering the conference.

NEWS ABOUT LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values, and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual-Digest" and "Little Gem." Published Annually in May and March respectively. PRICE, \$5.00 and \$2.00 respectively.

New Personal Income Policy

Midland Mutual Brings Out Flexible Contract Giving Privilege of Four Options

The Midland Mutual has brought out a personal income contract with great flexibility through four options. On the policy taken at age 35, maturing at 65, premium \$300, assured if he lives to 63 will receive one of the following optional settlements:

- (1) Cash, \$14,427 plus \$4,292.85 dividend credit; (2) monthly income guaranteed for 120 months, increased after first year for remaining nine years certain by any excess interest apportioned; (3) guaranteed monthly income \$107.46 until amount paid will at least equal cash surrender value at maturity and as long thereafter as assured lives, dividend credits being taken in cash or used to increase guaranteed monthly income; (4) guaranteed monthly income \$126.27 for life, dividend credits being taken in cash or used to increase monthly income.

Beginning at age 50, and on any pol-

icy anniversary thereafter up to 70, assured may discontinue paying premiums and elect any one of the four settlement options. In event of death before 65, the company pays beneficiary in cash or income at least the total amount of savings, and in later years exceeding them. No medical examination is required.

Contestable and Suicide Periods on Two-Year Basis

The Minnesota Mutual is changing its suicide and contestable period from one to two years. The changes become effective Dec. 15. "Due to a persisting high suicide experience," the Minnesota Mutual explains, "it has become necessary for this company, along with many others, to increase the length of the suicide and contestable period of its policies."

Business Men's Assurance

Applications for child's policies in the Business Men's Assurance will be accepted hereafter without medical examination, regardless of whether the sales-

James Victor Barry

James Victor Barry, retiring Third Vice President of the Metropolitan, served long years with brilliant ability and unabating vitality the institution of life insurance, through a personality whose blended elements—sincerity, geniality, and crystal-clear friendliness—created lifelong loyalties among the general host, and warm and deep affection among his associates. His name is lustrous upon the roster of executives.

With Mr. Barry's countless tributaries we acclaim his ability, his character, and the worth of his service to life insurance. May his leisured years be many and be fragrant with continued remembrance by those who today are bidding him a memorable business farewell.

THE PENN MUTUAL LIFE INSURANCE CO. PHILADELPHIA

WM. A. LAW, President

Independence Square

Founded 1847

Annuities

Insurance

AMERICAN CENTRAL LIFE

INSURANCE COMPANY

INDIANAPOLIS

Old Line Legal Reserve
Established 1898

HERBERT M. WOOLLEN, President

Guaranteed
Benefits

Guaranteed
Low Cost

For Christmas This Year

Use the Coupon Below

Send a Subscription to

The National Underwriter

The gift that will be remembered
and appreciated 52 times in 1932

YOU know some friends who would profit in these times by keeping alert to the vital weekly news given in The National Underwriter. A Christmas subscription will be most welcomed. The National Underwriter brings the latest insurance happenings and it is unmatched in news service to the business. It is more necessary than ever to keep informed of insurance news that affects all.

Send
The National Underwriter
To Some One
For Christmas This Year

USE THIS COUPON

The National Underwriter
175 W. Jackson Blvd., Chicago
Please send The National Underwriter,

(Check issue you want)

FIRE, AUTO, CASUALTY EDITION, \$4.00 per year (52 issues)
LIFE INSURANCE EDITION, \$3.00 per year (52 issues)
to the following along with a letter telling them of this gift.
() My check is enclosed. () Bill me later.

Name..... Position.....

Street

City and State.....

Name..... Position.....

Street

City and State.....

SEND BILL TO, Name..... Position.....

Street

City and State.....

man has been authorized to submit the insurance on the non-medical plan. It is no longer necessary to have the child examined nor to complete any non-medical form on the child. The B. M. A. will rely entirely on the statement made in the child's application and in the inspection report.

Union Central Life

The Union Central is bringing out a single premium income extension contract which may be converted at the maturity date selected into a life income, not less than ten years after issue,

the income being that which the cash value will provide at attained age. The policy may be surrendered after the first year for cash, there being a surrender charge for the first five years. After the fifth year the cash value for any given year is the same on all policies at same attained age.

On a bond of ten years issued at age 35 the initial cost is \$5,245.90. If carried for 20 years or to age 55, the bond reaches a guaranteed value of \$9,470, representing \$4,224.10 return. If carried for 30 years or until age 65, the value will be \$13,360, a return of \$8,114.10.

NEWS OF LIFE ASSOCIATIONS

Tribute to Industrial Men

C. M. Biscay, Western & Southern, Tells Wheeling Association, What Debit Workers Have Done

High tribute to the industrial agent and the institution of industrial insurance was paid by C. M. Biscay, advertising manager Western & Southern Life, in an address before the Wheeling, W. Va., association. Industrial insurance, he declared, is one of the chief factors in the economic structure of this country. The weekly visits of the industrial agent have enabled the average man to begin early in life the thrift habit. It has prompted the building of small estates.

Industrial life insurance, he declared, is still in its infancy. The average industrial policy is \$208 today, while 30 years ago it was \$130. Industrial companies employ nearly 80,000 agents. There are more than 91,000,000 industrial policies in force. Industrial companies have been among the foremost contributors to public welfare and were the first to start claim payments on the spot in all catastrophes.

Efficient Underwriter

Many business leaders today were first inspired to faith in life insurance by the industrial agent during their boyhood days. The industrial agent has become an efficient underwriter. In addition to the industrial policies, he has sold 11,940,256 ordinary policies for \$23,109,121,431.

Mr. Biscay pointed out that the average ordinary policy written by the strictly ordinary agent is \$2,520, while the average ordinary policy written by the industrial agent is \$1,935, a difference of only \$585. The education of the industrial agent by the industrial companies, he said, has not been surpassed by the education of the strictly ordinary companies.

In 1905, he pointed out, a 5 cent weekly premium purchased \$120 of industrial insurance, while in 1931 it purchased \$210. He predicted that half of the second hundred billion of life insurance will be produced by industrial men.

* * *

Des Moines—At the December meeting of the Des Moines association, L. O. Schriver, secretary of the National association and Aetna Life general agent at Peoria, Ill., spoke on "Life Insurance Depression."

Mr. Schriver declared the depression has proved to even the most skeptical that life insurance is the only safe way to build an estate. It is the only business which has stood without flinching under the strain of economic stress during the past two years. He said the life underwriter must raise his sights and have bigger vision.

Mrs. W. S. Pritchard will be the principal speaker at the January meeting.

* * *

Indianapolis—The Indianapolis association will hold its second sales congress Friday afternoon. The speakers are W. W. Klingman, vice-president Equitable Life of New York; Barney Pearson, Wichita, Kan., "The School of Life, on 'Money Control'"; Russell Moore, agency supervisor Midland Mutual Life, "Mental Attitude," and H. T. Wright, Equitable Life of New York, former president Chicago association.

Downward Trend Is Checked

Claris Adams Tells New York Men Stiffening Selling Forces Sign of Great Hope

The downward trend in life insurance sales has been checked and that is a significant sign of great hope to the entire nation, according to Claris Adams, executive vice-president American Life of Detroit, who addressed the Life Underwriters Association of the City of New York. There is no better sign that America is beginning to take heart than the general stiffening among the selling forces of life insurance, Mr. Adams declared.

Mr. Adams said that there is no better barometer of public feeling than the great body of life insurance salesmen. They are in constant contact with every element of the population and they approach their clients in a most confidential relationship. They have intimate insight into every line of business. Their experience record is accurate and comprehensive.

Confidence and Vigor

There is renewed confidence and vigor in the life insurance field, Mr. Adams said, which is borne of the firm conviction that the greatest era of life insurance selling is just around the corner. "Prosperity," Mr. Adams said, "will not return to its full vigor until the American public gains sufficient confidence in American business to invest substantially in our basic business enterprises. What better medium is there through which to mobilize and concentrate capital for this purpose than the one institution in which the confidence of America has never been shaken? The immediate future therefore presents an opportunity to life underwriters never before approximated in this country."

* * *

Brisbane Condemns Policy Loans at Los Angeles Meet

LOS ANGELES, Dec. 10.—The meeting of the Life Underwriters Association of Los Angeles last week was featured by talks by President Rufus B. Von Kleinsmid and Coach Howard Jones of the University of Southern California and Arthur Brisbane, newspaper editorial writer. Mr. Brisbane condemned unsparingly the lending of money on life insurance policies and declared that the law which permits it should be changed, because it deprives the wife and children of protection. "You make every possible effort to have a man insure his life and after he has done so then you get renewals and manage to have the man keep up his premium payments, but by law you are compelled to undo that work by permitting him to borrow on his insurance policies. I think it could be stopped by public opinion. It is foolish for a man to insure his life and then mortgage such insurance. If there is a cash value it should be the property of the wife and children. That I should like to urge and I have urged it occasionally. I think something can be done, especially at this time when people with a few thousand dollars of life insurance realize that



The Public Wants to Know

Once the complexities of accident insurance were accepted as a matter of course.

Now simplicity and clearness are called for. People want to know what they are buying, what the contract will do for them if they are hurt.

In event of accidental injury our reimbursement contracts pay all expenses up to a definite and sufficient amount besides benefits for loss of limb and sight. Weekly indemnity and death benefit optional.

**Connecticut General
Life Insurance Company**
Hartford, Conn

Protective Success Factors (Number 9 of a Series)

EXPANSION

Man-power is the necessary factor in any program of expansion. Territory is secondary. Protective Life has never had an ambition to expand territory unless the man was available to do the job.

But it is constantly inspired by an ambition to furnish sharp working tools for qualified men. Its unique contract, its retirement plan for both agents and managers, its definite training program, its highly developed service to both agents and policyholders,—all are immediately available when the right man wants to help us expand, either in new territory or in the territory we now have.

We have the company, the territory, the agency service. Are you the right man?

*Operating in Alabama,
Mississippi, Louisiana,
Tennessee, Texas, Florida,
and North Carolina.*

Protective
LIFE INSURANCE CO.
BIRMINGHAM, ALABAMA.

PROTECTIVE SUCCESS FACTORS

1. Retirement Plan for agents and managers.
2. Annual convention.
3. Agency Service.
4. Policyholders' Service.
5. Training.
6. Territory.
7. Contract.
8. Conservation.
9. EXPANSION.
10. Enthusiasm.

YOU CHOOSE

Vested Renewals
Financial Stability
Excellent Territory
Equitable Compensation
Liberal, Modern policies
Constructive Sales Helps
Personal Home Office help
A Company that is forging ahead
Sympathetic understanding of Agents' problems
Accident and Health as well as all forms of life

No matter what you want in a life insurance company you will find your desire answered in an agency connection with

The Gem City Life INSURANCE COMPANY

DAYTON, OHIO

I. A. Morrisett, President, will gladly give you complete information.

1871



Head Office: Montreal

1931

SIXTY YEARS of SERVICE

to an ever-increasing number of satisfied Policyholders, during which time every obligation has been fully and promptly met.

SUN LIFE
ASSURANCE COMPANY
of CANADA

Head Office: Montreal

Preferred Policies at Preferred Rates for Preferred Risks

have been featured by
this company since its
organization in 1907.

Agency openings are
available in Illinois,
Indiana, Michigan and
Missouri.

BANKERS MUTUAL LIFE COMPANY FREEPORT, ILLINOIS

Over \$1,800,000.00 paid
in claims since organization

Insurance in force
over \$34,000,000.00

An UNUSUAL Contract

will be offered to

An UNUSUAL Man

WHO

- is a producer
- is, of course, honest
- has three years of experience
- needs no financing
- is seeking opportunity
- will WORK
- can organize
- needs no drawing account or salary
- needs no office expense

BUT

WHO will accept Home Office help in the appointment of new Agents under him for whom he will not be responsible financially and yet on whom he will receive overwriting Commissions as high as \$4 per thousand and long time Renewals.

THE COMPANY—is rated "A" by Best. Its rates for Insurance are extremely low

(Age 35 Ordinary Life Net Cost
First year per thousand \$17.85)

It writes all latest forms—Participating only—including an improved Family Income form; also Juvenile. Has over \$135,000,000 in force.

TERRITORY—The Company desires especially to develop Indiana, Illinois, North Carolina and Texas.

ASSISTANCE—Experienced field men to help the man selected to build a real agency in which the Renewals are NON-FORFEITABLE.

WE WANT AN UNUSUAL MAN

UNLESS you have no present connection, or you have a real reason for leaving your present connection and are not at fault yourself, we are not interested. Write fully about yourself. We will not communicate with references until after interview. Write U-59, The National Underwriter.

they are better off than if they had several thousand dollars on the ticker."

The remainder of the program was devoted to a talk by W. G. Gastil, assistant manager home office agency of the Pacific Mutual Life, on "Life Insurance as an Investment."

Boston—The annual meeting of the Boston association will be held Dec. 16. Governor Ely of Massachusetts, Commissioner M. L. Brown and R. B. Hull of the National association will be the speakers. Presidents of the seven Massachusetts life companies have been invited to be present and bank and trust companies of Boston will be represented.

San Francisco—With more than 125 qualifying for the examination in the 10 weeks training course recently conducted by the San Francisco association and the membership at a "new high" of 675, further activities are now being planned. Shortly after the first of the year a monster meeting which will be held with C. M. Goodman, "millionaire producer" of the Equitable Life of New York, as chairman. J. W. Strawn, Aetna Life, has been placed in charge of thrift week activities.

Another membership campaign in February is planned, to be followed by another ten weeks training course.

Colorado—The Colorado association will hold its Christmas party in Denver Dec. 19. The features announced include a dinner, dance and entertainment.

Baltimore—The Baltimore association at its December meeting took up the matter of claims of creditors on life insurance policies in case of bankruptcy. The association went on record in favor of the enactment of legislation to prevent the proceeds of life insurance from being subject to the claims of creditors in bankruptcy proceedings and that the matter be referred to the legislative committee for further action.

The speakers were Dr. William B. Bailey, Travelers economist, on "The Place of Life Insurance in the Present Business Cycle," and Roger B. Hull, managing director National association, on "The Road Back to Security—The American Plan."

The Baltimore association will appoint

a state-wide committee to cooperate with the insurance commissioner to study the question of state licensing of agents with a view to improving the present system.

Great Falls, Mont.—A movement is under way here to establish a Great Falls association. One of the leaders in the movement is Frank E. Doran, who represents the Equitable Life of New York.

Cincinnati—The Cincinnati association is to be addressed at its Christmas meeting Dec. 18 by T. M. Riehle, associate manager for the Equitable Life in New York City. His subject is "Cardinal Principles."

Columbus, O.—T. M. Riehle, New York City, Equitable of New York, will speak at an evening meeting of the Columbus association Dec. 14.

Texas—The four Texas sales congresses will be held at Dallas, Houston, San Antonio and El Paso in February. The reason as stated by Matthew Brown, president of the Texas association, is that whatever knowledge and inspiration an underwriter may receive from the speakers and his associates should come at a time to be of value to the salesman through the year.

Lincoln, Neb.—At the December meeting of the Lincoln association, A. R. Olson of the educational committee reported that he was assured by the authorities of the University of Nebraska that beginning with the next collegiate year a full course leading up to the C. L. U. degree will be open to all who register for it. Only parts of such a course are now available. R. R. Hull of the National association will speak on "The Road Back to Security" at a night meeting Feb. 20.

H. H. Wilson, leading lawyer of Lincoln, discussed the history and purpose behind the single gold standard.

Kansas City, Mo.—The Kansas City association here has organized a C. L. U. course. O. J. Nelbel of the Commerce Trust Company, C. L. U. graduate, who has conducted several courses in life insurance trusts, will conduct the course. About 30 already have signified their intention of joining.

Disability Retreat Continues Steadily

(CONTINUED FROM PAGE 4)

benefit on closely investigated cases when it would be thought impractical for the larger company which has less contact and a wider distribution of competitive cases to do so.

"It is also our belief that the unfavorable experience of other companies is mostly on business written before the modification of the rates and contracts adopted by most companies a year or two ago."

The Durham Life discontinued income disability Dec. 1 on ordinary policies, but is continuing the writing of waiver of premium.

Great Southern Retiring

The Great Southern Life of Houston, Tex., discontinued issuance of disability income Dec. 1, citing "extremely unsatisfactory experience." The company continues to issue the waiver clause to applicants who are considered entitled to it but will not consider this benefit for ages higher than 50 nearest birthday, nor will claims be allowed on disability occurring after age 55, this upper limit having been dropped from 60.

The same restrictions apply to the disability waiver benefit in respect to original beneficiary under children's policies. Rates for the waiver benefit remain the same. The company also is not considering the addition of the disability income clause to old policies. Double indemnity is not affected.

President E. P. Greenwood in a letter to agents refers to a communication which he sent out 20 years ago entitled "Frills and Furbelows." He comments, "I have never believed in these special health and accident clauses except in a very limited degree. I do not believe in them now, and it appears that most all the leading companies of the United

States are now coming around to the point where they do not believe in them."

He points out that almost every claim for an accident or health benefit must be adjusted and he asks who ever heard of a life company having to keep a force of claim adjusters until in recent years. He says the waiver clause probably has a rightful place in the life contract because it secures the policyholder against loss of his insurance by reason of physical inability to continue payment.

Agents Really Are Losers

He emphasizes that agents are the losers in the long run as a result of the disability income clause; that many apply for income features and are rejected or the policy is modified and not issued as applied for, making delivery difficult and resulting in cancellation of many policies which would have been issued and delivered if they had been sold on the plain form.

Others who receive the income benefit make claims for money to which they clearly are not entitled, he finds. There is a general lack of understanding of the clause among policyholders and they are displeased when their claims are refused, in many cases lapsing.

The final result is, when such claims get into court, unfavorable sentiment being created throughout the community by the policyholder.

Correct Charge a Problem

"Finally the measure of risk in these special clauses is difficult to determine and no company has yet been able to solve the problem of the correct charge," he says. "Hence millions of dollars have been lost by the companies, notwithstanding most of them have raised their rates from one to three times. It is unquestionable that most if not all companies have lost heavily in their efforts to enter the health and accident business as an attachment to the

life business. Those company officials, if any, who have no regard for the prosperity of their companies will come to grief sooner or later."

The Southland Life of Dallas has discontinued the disability income clause as of Nov. 30. Premium waiver for the time being is not affected.

The Ohio National Life, effective Jan. 1, will discontinue disability but will continue waiver of premium temporarily on the present basis.

The Life of Virginia discontinued writing income disability Nov. 10. For the present waiver of premium is being continued without change in rates or provisions.

Union National Now Writing

New Lincoln, Neb., Company Headed by Former Officials of Lincoln Liberty Life

The Union National Life of Lincoln, Neb., organized last August by interests formerly in control of the Lincoln Liberty Life, has begun writing business with headquarters in the Barkley building. The company has \$100,000 paid-in capital, with \$50,000 surplus. W. E. Barkley is president; Verne Hedge and A. J. Riley, vice-presidents; Don L. Love, treasurer; Dr. George W. Covey, medical director. A number of prominent Lincoln business and professional men are on the board, including W. L. Anderson, Landy Clark, W. J. Assenmacher, G. A. Luikart, Phil L. Hall, T. F. A. Williams, C. W. Roberts, W. W. Burr, F. A. Peterson, G. A. Frampton, and also G. A. Wellensiek, Grand Island.

Bert Rodgers and A. J. Riley will be in active charge of the company's underwriting activities. Both have long been familiar with the Nebraska field. Mr. Rodgers spent the greater part of 15 years in various important capacities with the Lincoln Liberty Life, while Mr. Riley was state agent of the Central States Life for a number of years. He has recently been with an Omaha agency.

Life Payments Self Reliance Example

(CONTINUED FROM PAGE 6)

increases from year to year, he said. But it is well to take a long range view. The present volume is nearly eight times the total of 1906. It required 16 years from that time to pass the \$50,000,000 mark. In less than seven years the \$100,000,000 was passed and in two unfavorable years the total has been increased by \$9,000,000. While it took 64 years to place on the books \$13,707,000,000, in the following 25 years \$100,000,000,000 has been added.

Another way, according to Mr. Ecker, to illustrate the self reliance of life insurance companies is in percentage of population insured. In 1906, 17 percent of the population was insured, while at the close of 1931, 54 percent will be insured.

Worth Is Demonstrated

"The manner in which life insurance companies have met the test of this period has shown their worth and their strength as never before," he said. "Looking over the years past, we find that life insurance has stemmed successfully the tide of panics, the shock of world war, the influence of influenza when it was a nation-wide epidemic. Now that the test of world-wide upset and a revision of all values has come, it has not only rendered outstanding public service, but has emerged with increased public confidence. With the return of more favorable conditions, the growth of life insurance will continue in amounts, ratios and in usefulness to the American people, out-performing its best previous performances."

"This record justifies all workers in the ranks of life insurance feeling intense pride in their institution, and will

spur them on to greater achievement."

Mr. Ecker paid his respects to those new economists who are advocating some sort of an American plan. He said that to many people the word "plan" seems to have a magic lure, "as if by some sleight of hand there might be issued a blue print which would solve all of our difficulties and start the wheels of prosperity. Such a plan would involve the cooperation of 125,000,000 people and human beings do not function like machines. If it were conceivable that any such plan could be established, its success would depend upon each unit of business and upon each individual playing an assigned part in the whole scheme, and that part alone. National progress and prosperity are in direct relationship to the spirit of self reliance of the people. Judged in the light of its history and based upon characteristics of its people, the American plan should be to stimulate, encourage and develop more intensively the old American spirit of self reliance—to make it the all pervading and ever working spirit of our people."

Life Presidents in 25-Year View

(CONTINUED FROM PAGE 4)

national institutions are open to all comers, the process is mass education. Mere numbers, he pointed out, do not make masses.

American education should develop self reliant citizenship, he said. "We try to inform our students, to develop their critical faculties, to bring out their social convictions, to have them stand for the right as they see it," he said.

Ideals and Results

Mr. Sproul admitted that results have not always measured up to the ideals of education in this country. "But," he said, "there are high lights of hopefulness to be glimpsed here and there among the activities of our people. Some of their decisions, I am sure, are traceable to the effect of education, particularly higher and liberal education."

William A. Law, president of the Penn Mutual Life, followed with a carefully prepared analysis of investment trends over the 25-year period. He expressed confidence in the integrity of railroad securities in general, but warned rate makers and railroad management against impairing transportation facilities. He is concerned about the policy loans and premium notes.

The final speaker of the day was Henry S. Nollen, president of the Equitable Life of Iowa.

An executive session for election of officers was scheduled today following adjournment of the general session.

Buckner Tells Story of Fifty Insurance Years

(CONTINUED FROM PAGE 5)

was \$810,469,591; today it is \$65,156,132,136. In 1880 their new business amounted to \$108,899,247; in 1930 it amounted to \$9,553,589,171, or approximately 100 times that of 1880 and ten times that of 1905.

Medical Director Wehner Dies

Dr. W. H. E. Wehner, medical director of the Fidelity Mutual Life, died in the Germantown Hospital, Philadelphia. He was in his 66th year and spent 33 years of an active medical career in the service of life insurance.

Dr. Wehner took his medical degree from Jefferson College where he specialized in eye work. Following a short private practice in Germantown, he entered the medical department of the Penn Mutual Life and remained for 17 years.

He was appointed medical director of the Fidelity Mutual in 1915 and held that position until the time of his death. He had been an invalid for more than a year.

LISSEN, BILL--



—here's to you, the same old Wish with the same old Wallop:

Merry Christmas!
Happy New Year!!

—and let's hope that it's not as bad as Uncle Louie put it: "Las' year vas Dirty, dis year be Dirty Vun, an' nex' year gonna be Dirty Doo!"—

Maybe the years '30 and '31 did give the best of us something to think about, but let's postpone our Story Telling, and face '32 with a fine and manly determination to Fit In and Win Out—

Our 1930 and 1931 "adventures" will be just as Funny to our grandchildren as though we had lived them over and over down the years—

Let's give Old Man DePression a final and conclusive burial, for he'll discomfit us as long as we re-hearse him.

"The volume of life insurance issued by the Ohio State Life the first nine months of 1931 was as great as for the corresponding period last year, President John M. Sarver reported to the directors at their quarterly meeting. Mr. Sarver said that the business outlook is steadily improving."

A generous rate of commission—permanent renewals while you live—a liberal post mortem payment of renewals for your estate—we'll do our part to help you make every day Christmas while you're here—and perpetuate the Yuletide spirit for those you love when you are gone.

THE OHIO STATE LIFE INSURANCE COMPANY

Columbus, Ohio

LIFE

HEALTH

ACCIDENT

W. L. MOODY, JR.
President

W. L. MOODY, III
Vice-President

W. J. SHAW
Secretary

SHEARN MOODY
Vice-President

J. B. MILLS
Asst. Vice-President

AMERICAN NATIONAL INSURANCE COMPANY

HOME OFFICE:
GALVESTON, TEXAS

Assets \$45,616,098.00
Surplus 7,085,859.53

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We Have Openings for Live Men in

California	Kansas	Minnesota	South Carolina	Virginia
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Liberal First Year and Renewal Commissions
Up to Date Policies—Non Medical—Special Low Premium Plans

If Interested Address

AMERICAN NATIONAL INSURANCE CO.
GALVESTON, TEXAS



Life Insurance is the present financial compass

The Lincoln National Life Insurance Company Fort Wayne, Indiana

ARE YOU AWAKE TO OPPORTUNITY

Life Insurance Men of Vision Know That the Greatest Opportunity

Is with the Company That Is
NOT TOO LARGE NOT TOO OLD
NOT TOO SMALL NOT TOO YOUNG

The Solid Growing Company Offered by Men Who Are Agency Minded

WE HAVE THE TOOLS

Participating and Non-Participating Policies—Men and Women on Equal Terms—Total Disability and Double Indemnity

Circularization Aids—Supervisor's Help—Direct Contracts, Human Relations, Liberal Contracts and Special Producer's Clubs

If You Are Ready for a General Agency There Is Desirable Territory Open in IOWA—NEBRASKA—MINNESOTA—AND SOUTH DAKOTA

THE OLD LINE CEDAR RAPIDS LIFE INSURANCE COMPANY

Jay C. Sigmund—Vice-Pres. & Agency Director
COL. C. B. ROBBINS, Pres. C. B. SVOBODA, Secy.
CEDAR RAPIDS, IOWA

THE FORMULA OF SUCCESS

LIFE INSURANCE can be explained in plain, everyday language. The facts can be simply stated. People need to be told about life insurance by one who knows life insurance and its adaptability. Salesmen of integrity, ability and courage who will work systematically and plainly state the facts of life insurance service will be Masters of their craft and successful.

THE MUTUAL LIFE OF NEW YORK, with its long history of increasing success, offers opportunity. It writes Annuities and all Standard forms of life insurance. Double Indemnity Benefits. It has many practices to broaden and expedite service for Field Representatives and for Policyholders.

Those contemplating engaging in life insurance field work as a career of broad service and personal achievement are invited to apply to

The Mutual Life Insurance Company of New York

34 Nassau Street

DAVID F. HOUSTON
President

GEORGE K. SARGENT
Vice-President and
Manager of Agencies

New York, N. Y.

1871—SIXTIETH ANNIVERSARY—1931



THE LIFE INSURANCE COMPANY of VIRGINIA

Richmond

Bradford H. Walker
President

Wm. A. Law Scans Investment Field

(CONTINUED FROM PAGE 3)

Mortgage holdings have increased greatly in volume and ratio. Total investment in mortgage loans in 1906 of the 52 companies was \$820,522,000. At the end of 1931 this item will constitute \$7,095,000,000, nearly nine times the 1906 figure and the percentage will be increased from 28.5 percent to 38.4 percent.

Increase After War

During the post-war period, Mr. Law pointed out, while the country was busily catching up with delayed construction, the largest percentage of increase in mortgage loans occurred. It was natural for such investments to follow expansion of real estate values and new construction. The year 1927 was the high water mark. In 1927 the ratio of life insurance investments of these 52 companies was 43.1 percent in mortgage loans. Since then there has been the decline in real estate activity and consequent decline in ratio of this type of investment in life insurance company portfolios.

Mortgages on town and city property increased from 19.2 percent of assets in 1906 to 28.4 percent now. Farm mortgages increased from 9.3 percent to 10 percent of assets.

Government Bonds

In 1910 the proportion of life insurance investments in farm mortgages to the value of farm property was 1.27 percent while in 1925 it was 3.83 percent.

In the 25 year period mortgage holdings have increased from slightly more than one-half of the ratio of bond and stock holdings to a ratio somewhat in excess of bond and stock holdings.

In 1906 life companies held government bonds in the amount of \$2,900,000 or one-tenth of 1 percent of total assets. By 1921, as a result of war financing, the ratio had grown to 10.7 percent. With

a reduction of the war debt, volume and percentage in government bonds declined until this year when for the first time since 1922, amount of these securities in ratio has shown an increase. Volume of state, county and municipals increased from \$103,789,000 to \$728,000,000 and in ratio from 3.6 percent to 3.9 percent. The low yield of these securities, he pointed out, is offset in a measure by their desirability due to safe character and tax benefits.

Real estate investments increased in amount but decreased in ratio from 5.4 percent to 2.8 percent. Since 1926 there has been an increase in ratio resulting from foreclosures and purchases of real estate. "The policy of all companies," he said, "is to hold only real estate essential to operations, but mortgage investments entail occasional purchases. It is gratifying that at the end of this year the percentage of assets invested in real estate will be only one-half what it was in 1906."

Investments in real estate essential to the conduct of business decreased from 6.9 percent in 1906 to 2 percent in 1930, "a remarkable evidence of increased operating efficiency."

Policy Loans

As to policy loans and premium notes, Mr. Law said that all companies view with concern the growth of these instruments in ratio. Although these assets could be rated quadruple A, these liens against the amounts of insurance reduce the sum payable at maturity to beneficiaries. "Notwithstanding all efforts to discourage policy loans," he said, "it is only natural that policyholders should pledge their policies to obtain funds in time of need. This should, of course, be the last resort of the borrower."

In 1906, \$254,815,000 or 8.9 percent of assets were invested in such loans; the ratio increasing to 14 percent in 1916, falling to 12 percent in 1926 and increasing decidedly from 1929 to the present. "It is a comforting thought," he said, "that such loans have relieved the distress to policyholders, but the re-

Dunham Amplifies Reasons for Dec. 31 Valuation Stand

(CONTINUED FROM PAGE 12)

report of valuations is being carried on in an effort to put some of the smaller companies 'on the spot.' It is better for the stockholders as well as the policyholders that the actual condition shall be made clear and an opportunity given to strengthen the companies' financial condition, than to encourage malingerings of a company in disregard of actualities. He points out that in prosperous times many companies with unnecessarily large surpluses declared stock dividends. It is not illogical then, he said, for companies with surpluses too low to reduce capital.

Banquet to Barry Is Most Brilliant Affair in Years

(CONTINUED FROM PAGE 3)

As Mr. Barry arose to respond the banqueters gave him a mighty ovation. At the speakers' table in addition to the speakers were J. G. Read, Oklahoma insurance commissioner and secretary of the National Convention of Insurance Commissioners; B. A. Dugal of Quebec, president Canadian Association of Insurance Superintendents; C. C. Klocksin, assistant legislative counsel Northwestern Mutual Life and chairman of the invitations committee of the Barry banquet; State Senator Leon F. Wheatley of New York, chairman insurance committee; Jesse S. Phillips, president Great American Indemnity, chairman arrangements committee, and Vice-President L. A. Lincoln, Metropolitan Life. Mr. Tyrrell was chairman of the general committee that promoted this great event. He and his associates did a magnificent piece of work.



Stephen M. Babbitt
President

HUTCHINSON, KANSAS



HENRY GRADY HOTEL
Atlanta, Ga.

550 ROOMS 550 BATHS

sponsibility remains with us to strive constantly toward the reduction of this ratio."

Since the New York laws were liberalized in 1928 regarding investment in preferred and guaranteed stock, there has been an increase in such investments, the total increasing from \$17,437,000, or .6 percent of assets in 1906 to \$351,385,000 or 2 percent of assets in 1930. The attitude toward such investments has been conservative, he said.

Despite the depression, life companies will this year add \$1,320,389,000 to their assets, bringing the total to the record figure of \$20,200,000,000. This increase exceeds the average annual increase for the eight year period from 1923 to 1930, and is only \$248,854,000 less than for the record year 1928.

These new investments, he pointed out, have helped in maintaining work and purchasing power by financing building operations, in making possible public work and in aiding public utility and railroad financing. If it had not been for the unusual cash demands of policyholders, investments in these other deals would have been much greater.

The 52 companies under consideration will increase their holdings during the year in each of the major investment classifications except in foreign government bonds other than Canadian and collateral loans. The amount loaned to policyholders by these 52 companies will amount to 32 percent of the year's increase in assets. The new loans to policyholders amounting to \$427,291,000, will be the largest increase in any type of investment.

Mr. Law then expounded some of his principles as to investments. He said that the relationship between company management and the policyholder partakes of the nature of trustee and beneficiary. Indeed, it represents a higher degree of responsibility, because the merging of the investment of the individual in the reserve of the company requires him to accept the company's accounting of its stewardship. The principles of trustee investments forbid any transaction from which the trustee derives a personal profit, he said. They forbid the assumption of undue risk in the hope of appreciation or capital gain. The traditional objectives of trustee investment are safety, yield and liquidity.

Speculation has no place in life insurance investment, he said.

Speculative building in progressive cities has been a disease as widespread in danger as share speculation, he said, and much more productive of losses to banking institutions. Prudent mortgage investment, he said, has always been based upon a record of past earnings comparable to the earning record applied in bond purchasing.

Policyholders, he said, are scrutiniz-

ing more thoroughly than ever the investment methods of life insurance companies. These investments, he pointed out, are limited by charter provisions, legislative enactment, usages and customs of other reputable companies, and by the traditions, good judgment and discretion of officers.

He said it is a traditional principle of the life insurance investment to avoid buying or holding items subject to wide fluctuations in market values or income. It is also an axiom that it is a dangerous practice to buy good securities and forget them. They are all subject to changing forces and factors and must be the subject of frequent critical review.

Only six-tenths of 1 percent of assets of the 52 companies under consideration are invested in common stock. "This expresses the conviction of their managers," he said, "that they cannot afford to risk trust funds in the common shares of railroad, industrial, utility or banking companies hoping thereby to achieve a large capital gain." All the experience of recent years with their uncertainties, fluctuations and shrinkages combine to prove that by following this course they have avoided financial losses and most disturbing influences on policyholders and beneficiaries. The profits applicable to the common shares of industrial, financial and transportation corporations depend upon national purchasing power, which will be below normal until agricultural improvement and construction resumption occur. In the meantime, practically the entire income derivable from the highest grade first liens will continue as usual. "Yield is subordinate to safety," he said. The average yield of all companies from conservative investments is quite satisfactory, he declared, and affords an ample margin over and above the yield required by reserve bases. As long as the United States continues to grow in population and wealth life insurance companies will find available their traditional investments with sufficient yield.

Liquidity Has Met Test

During the last three years, the liquidity of life insurance assets has met an unusual test, he said.

"Liquidity," he declared, "is the combined result of premium income spread over a wide population area, diversity of interest bearing obligations with maturities occurring at frequent intervals, and also of substantial holdings of the world's premier security—United States government bonds. Government issues not only enjoy the broadest and readiest cash market, but through existing provisions of the Federal Reserve System their exceptional liquidity is enhanced, as they are eligible collateral for loans to any member bank."



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for the cozy comfort of its appointments and the friendly spirit of its service, the Bismarck is Chicago's outstanding hotel for out-of-town visitors. Add to this its fame for Good Food . . . its most reasonable rates . . . its close proximity to all amusement and business

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Send for Booklet with Downtown Map
Rooms with bath, \$3.50, \$4, \$4.50, \$5 and \$6
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BISMARCK
HOTEL CHICAGO
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SOMETHING NEW THAT IS NEW IN LIFE INSURANCE

*A Dollar's worth for every Dollar paid
regardless of kind of policy purchased*

A \$1,000.00 Endowment Policy, any age at issue, guarantees \$1,961.54 plus Dividends in event policy becomes a claim the year it matures.

Our Twenty Payment most remarkable policy of all—too much to write about in this advertisement.

We have Ordinary with and without Cash accumulation. Without cash value it furnishes Pure Protection Life Insurance at non-participating rates but on a participating basis—it is estimated dividends will amount to 50% within a few years, based on actual experience past five years.

Juvenile Policies—Ordinary, Twenty Payment and Endowment from birth, with all the fine features of our Adult Policies. Many other forms of Policies equally attractive.

Operating in Illinois, Michigan, Indiana and Missouri

INTERSTATE RESERVE LIFE INSURANCE COMPANY

A Mutual Legal Reserve Life Insurance Company
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HOTEL LOCKERBIE

Just a block or two from
everywhere—one and one-
half blocks from Union
Station and two blocks
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ALL OUTSIDE ROOMS
AND EACH WITH BATH

RATES
\$3.50 and up double
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FORTY

Unusual Plans FOR SELLING LIFE INSURANCE

Leading underwriters have contributed to this unique book by J. Stanley Edwards. Price \$2.50. Order from The National Underwriter, A 1946 Insurance Exchange, Chicago.



NO DEPRESSION for this man

He sells something that everybody needs—the protection afforded by United Life policies which contain ALL IN ONE CONTRACT:

LIFE INSURANCE WITH DOUBLE AND TRIPLE INDEMNITY FOR ACCIDENTAL DEATH.

NON-CANCELLABLE, NON-PRO-RATABLE WEEKLY ACCIDENT INDEMNITY.

WAIVER OF PREMIUMS FOR TOTAL AND PERMANENT DISABILITY.

In addition to attractive policy contracts in the form of ordinary life, limited payment life, endowments, monthly income, educational endowments, and juvenile insurance he offers

THE INCOME INDEMNITY CONTRACT—THE NEVER FAILING SUBSTITUTE FOR THE SALARY CHECK

His advice to ambitious agents is this: Get in touch immediately with

UNITED LIFE AND ACCIDENT INSURANCE COMPANY

Home Office: United Life Building
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\$1,000 to \$1,600

Ordinary Life Insurance at An
Average Cost GUARANTEED
OF ONLY \$14.00 per \$1,000

**ALL PREMIUMS
RETURNED**

in addition to face of policy
in event death before age 60
**FULL FACE THEREAFTER
AND PREMIUM REDUCED 20%**
Original cost, age thirty, \$21.40
per \$1,000 to age 59; \$17.19
per \$1,000 thereafter

If you reside in Ohio, Illinois, Indiana,
Kentucky, Louisiana, Pennsylvania, Tennessee,
West Virginia or the District of
Columbia

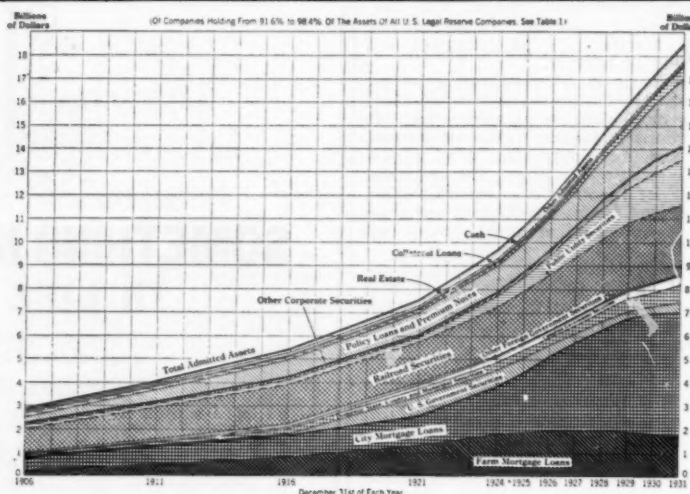
Write for Sample and Particulars

This is one of many unique contracts
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Federal Union Life

FRANK M. PETERS, President
Cincinnati, Ohio

Growth of Assets in 25 Years



Life Presidents Compilation

Shows How Canada, U. S. Lead World

(CONTINUED FROM PAGE 9)

share to the stability of our social order and therefore has grown to such large proportions in the two great American nations."

Presents Tables

Following is a table presented in connection with Mr. Nollen's address showing life insurance in force throughout the world as of Dec. 31, 1927, and as of Dec. 31, 1930, the final three ciphers being omitted:

	Dec. 31, 1927	Pct. of	Dec. 31, 1930
Cos. of	Amount	Total	Amount
Un. States	\$ 87,022,103	70.2	\$107,948,278
Canada	4,958,240	4.0	7,392,706
Mexico	30,126	..	51,924
Brazil	140,613	..	..
Argentina	69,206	..	..
Chile	30,980	..	88,571
Uruguay	12,643	..	16,427
Peru	8,739	..	..
Br. Guiana	7,460	..	8,862
Un. Kingd.	11,186,356	9.0	12,544,461
Germany	2,606,492	2.1	4,485,897
Sweden	1,126,658	..	1,334,668
France	708,817	..	1,400,694
Neth'lans	906,909	..	1,146,810
Italy	810,096	..	1,112,452
Switz'land	528,273	..	618,015
Austria	287,138	..	504,432
Denmark	419,384	..	..
Norway	359,803	..	..
Czecho-	..	..	..
slovakia	158,184	..	254,076
Finland	156,076	..	240,080
Poland	53,319	..	112,110
Hungary	61,180	..	..
Belgium	55,600	..	92,400
Rumania	56,613	..	..
Bulgaria	23,494	..	..
Portugal	19,036	..	..
Greece	8,323	..	..
Japan	3,323,671	2.7	4,557,874
India	249,087	..	..
Java	60,165	..	64,368
Union of	..	..	..
So. Africa	630,190	..	..
Australia	2,052,962	1.7	..
N. Zealand	112,434	..	122,622
Others	5,749,630	4.6	..
Total	\$124,000,000	..	..

*Not including government war risk insurance.

*Amounts cover insurance in force on domestic and foreign companies. For all other countries, amounts cover insurance in force in domestic companies including their foreign business.

*Estimated on basis of amounts of other years.

*Including government insurance.

*Estimated at from 4 percent to 5 percent of the world's total.

Following is a table showing the per capita life insurance in force by countries for several years.

Country	1900	1920	1925	1929
*United States	\$111	\$394	\$620	\$843
Canada	81	308	448	640
Mexico	..	2	2	6
Brazil	..	..	3	4
Argentina	4	5	6	10
Chile	4	5	6	10
Uruguay	..	9	12	17
*United Kingdom	109	133	233	266
*Germany	..	..	20	57
*Sweden	31	97	173	295
*France	..	11	16	28

Country	1900	1920	1925	1929
Netherlands	..	11	16	28
*Italy	10	25
Switzerland	..	84	116	152
Austria	38
Denmark	93	86
Norway	..	59	84	137
Czechoslovakia	15	28
Finland	..	18	29	58
Belgium	12
Japan	..	23	38	58
India	2
Un. of So. Africa	..	51	76	92
Australia	..	132	231	273
New Zealand	149	178	296	358

*Data cover insurance in domestic companies including their foreign business; for all other countries data cover insurance in force on lives of residents of country in both domestic and foreign companies.

Following is a table showing the ratio of life insurance in force to national wealth and national income in 1928 by countries.

Country	Ratio to Natl. Wealth Percent	Ratio to Natl. Income Percent
*United States	26.4	106.5
Canada	21.8	113.8
Mexico	1.1	..
Brazil	2.7	..
Argentina	..	..
Chile	2.5	..
Uruguay	1.0	..
*United Kingdom	9.4	62.9
*Germany	4.3	25.1
*Sweden	31.2	86.9
*France	1.6	13.0
Netherlands	11.0	58.5
*Italy	4.5	21.4
Switzerland	4.6	..
Austria	6.2	20.7
Denmark	8.1	43.5
*Norway	11.2	73.6
Hungary	3.4	..
Greece	..	..
Belgium	6.4	..
Japan	7.1	56.8
Australia	9.8	..
New Zealand	10.8	..

*Based upon insurance outstanding in domestic companies, including their foreign business; for all other countries, the ratios are based upon insurance in force on the lives of residents in both domestic and foreign companies.

Rescinds Burial Society License

LANSING, MICH., Dec. 10.—The Michigan department, confronted by a flood of opposition to the proposed Detroit Mutual Burial Association, has rescinded the license granted backers of the mutual some weeks ago.

Western & Southern Rally

The ten Chicago branch offices of the Western & Southern will hold a banquet Dec. 19. H. T. Head, superintendent of agencies, will be the principal speaker.

J. N. Flowerman

J. N. Flowerman, formerly with the Equitable of New York and West Coast Life in agency development work, has been appointed agency supervisor for the Arthur J. Hill agency of the State Life of Indiana at San Francisco.

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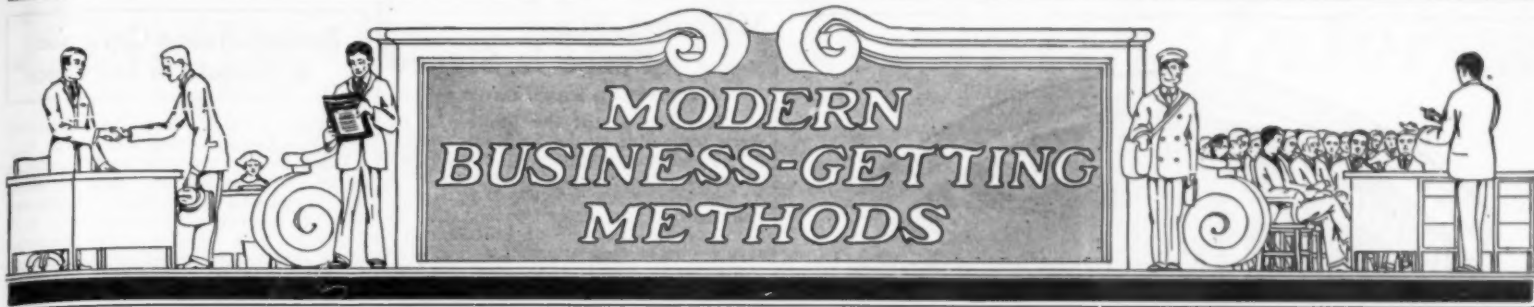
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Life Insurance Miraculously Sound Despite Long Period of Depression, Ingersoll Tells the Chicago C. L. U.

An unusually fine picture of the almost miraculous solidity of the life insurance institution was given by A. S. Ingersoll, associate general agent of the Mutual Benefit in Chicago, at the December meeting of the Chicago chapter of C. L. U.

Mr. Ingersoll gave some pertinent facts about farm mortgages and foreclosures which taken by themselves indicated a disastrous experience of companies. However, when viewed alongside the \$1,776,644,000 total income, margins and surplus in 1930, Mr. Ingersoll pointed out, the interest of approximately \$13,700,000 lost on default of farm mortgages was an inconsequential factor.

Huge Margin of Safety

"As a going concern," he said, "legal reserve life insurance companies have margins of safety such as has no other financial institution. There never has been a time when all of the life companies' investments have been bad. There are prodigious margins of safety in the savings on mortality and in the assumption of a safe average 3 or 3½ percent interest factor. Companies can meet their cash requirements on one-half the income, meet dividends out of another one-fourth and invest the remaining quarter."

"Liquidity is not a pressing factor in life insurance. If the insurance investment is sound and will meet the requirements at maturity, current market value of investments is purely an academic matter."

Mortgage Loan Situation

Mr. Ingersoll gave some mortgage loan figures for the west north central, east north central, east south central and southern Atlantic states which suffered from land booms showing the average legal maximum land loans about 54 percent of value. Defaults on farm mortgages were set at 13.3 percent. Losses so far were set at \$60,000,000 to \$100,000,000. It was estimated there were \$250,000,000 farm mortgages and \$330,000,000 on other real estate mortgages foreclosed and yielding no return out of the total of \$1,270,000,000 farm mortgages at the end of 1930 and \$5,460,000,000 other mortgages, or a total of \$7,330,000,000.

Mr. Ingersoll, however, said his authority found the farm mortgage loan situation very satisfactory for life companies where loans are made in the right way, and in most states the loans are amply protected.

For the purpose of life company investments the harsh rule of market value should not be literally applied, he said.

Now Well Managed

Most of the companies making farm loans have well developed farm departments, are taking good care of the land and farm property, making repairs and placing tenants on farms, and in good time will undoubtedly come out well on these properties.

An interesting note is that practically none of the companies have taken an

actual final loss on these lands, they being carried in most instances at the original loan values, whether they pay interest or are foreclosed.

He said the question of greatest interest to men in the field is not "Why Life Insurance Companies Are Sound," which was his nominal subject, but how best to convey this idea of soundness of companies to clients and customers.

Points Out Mistake

"I consider one of our greatest mistakes is in allowing ourselves to be drawn into a discussion of the security and adequacy of life companies," he said. "Certainly their investment history of the last three-quarters of a century proves that they are sound, that their investments are well diversified and adequate to meet all emergencies, some of which in the past make the present situation mere child's play."

"There is no need to be alarmed over the status of farm mortgages. Some companies have gone pretty far afield in this matter through inflated value areas, but they are probably not in any great financial difficulty even then."

He spoke of policy loans, giving his company's experience in 1929 and 1930

in which 22 percent of the reserves were loaned to policyholders. He said even this did not force the company to sell a single security to meet the demand.

"Life insurance," he said, "is backed by the confidence of the people, which turns to life insurance from disappointment in other fields."

Hard Times Temporary But Death Is Permanent

The Central States Life of St. Louis puts out this convincing hard times argument:

"How often in the past few months have you been told that times are too hard to think about buying life insurance, that your prospect can't afford to buy it? Probably so often that sometimes you almost believe it yourself. But life insurance is one thing that a man can't afford to delay buying until times get good again. Experience has shown that on the average, approximately 15 percent of all applicants for new insurance or for reinstatement of lapsed policies are either rejected or are required to accept a substandard rating."

Burden Put on Family

"Approximately 10 percent of all death claims are on policies in force less than one year. Hard times, good times, insurability, are all temporary conditions; death alone is permanent, and it comes whether a man is ready for it or

Probate Judge Lauds Insurance

DETROIT, Dec. 10.—There was never in history a greater need for adequate insurance coverage than at the present time, when financial stress and shrinkage of other types of assets have depleted so many estates, Judge Ervin R. Palmer of the Wayne county probate court, told the Mutual Life of New York Detroit branch offices agency meeting last week.

"It is a startling thing to review some of the losses that are being sustained every day on the estates that come before the probate court for administration and adjustment," said Judge Palmer. "Real estate values are cut way down where we are forced to make a sale, many pieces having to be sold for as little as 25 percent of their real worth. We find a considerable amount of other property that cannot be sold at any price. Some such cases bordering on insolvency when they come into court would be lost entirely on a forced sale because of market conditions."

Everything in Favor of Life Insurance

"All who have contact with this work in probate courts have a full appreciation of the true value of life insurance. There is no argument against it; there is everything in its favor. There is no better time to interest people in insurance than right now. You have only to point out to them what it means to go through probate to at least get a 'toe-hold' on a policy that would cover the expenses of the administration of these estates."

"Many estates are presented for probate with very little money on hand with which to liquidate debts. We have creditors who are entitled to their

money; we have the expenses of administration that are absolutely not to be denied; the state steps in and insists on its share of the estate in taxation; the federal government likewise must have a share. Where is there a better argument for an insurance policy than to provide, if nothing else, for the liquidating of the necessary and immediate expenses of these estates in probate?"

Accomplishment of Life Insurance Is Definite

"I want to drive home to you—so that you can drive the point home to those with whom you come into contact—the fact that a man during his lifetime can create an estate for those whom he wishes to provide for that is absolutely certain in its diction and is definite in what it proposes to accomplish through life insurance, as against many of the wills that the court has before it."

"As an instance, let me cite the case of a prominent Detroit business man who two years ago was reputed to be a millionaire several times over, and whose business suffered so much in the face of the depression that he was obliged to go through bankruptcy six months ago. The estate of this man came before me for probate last week, showing on the presentation of the petition that there was real estate valued at \$5,000 and personal estate worth approximately \$1,000. I happen to know that there was life insurance payable to the wife and children of \$800,000 and it was indeed a gratifying thought that a man who had gone through this tremendous crisis that has affected so many people would leave such a fortune to those dear ones of his."

HOW A Millionaire Answers

"I am too busy to talk insurance."

I realize that. It's the reason why I'm here—just to ask you to stop one minute, the same as I asked Dr. Moore, a personal friend of yours, a few weeks ago just before he died. He was too busy; couldn't give me a moment, but I certainly was greeted by Mrs. Moore in a different way than by him.

I gave her an income for life. Her children are taken care of also, and every 5-cent piece that Dr. Moore was indebted for at the date of his death will very shortly be liquidated. This was because he listened to me two years ago.—T. S. Reinhard, Bankers Life of Iowa, New York.

not. And if it comes when a man is not insured the burden it imposes must be met not by the man who has delayed, but by his dependents. Possibly he can afford to pass up the opportunity to insure while he is able but certainly his family can not afford it. Hard times, which are temporary for your prospect, become permanent for his dependents if he fails to make adequate provision for them. And life insurance offers the only safe and guaranteed way to provide for the future well-being of a family."

Successful Man Is Keeping Up the Pace, Survey Shows

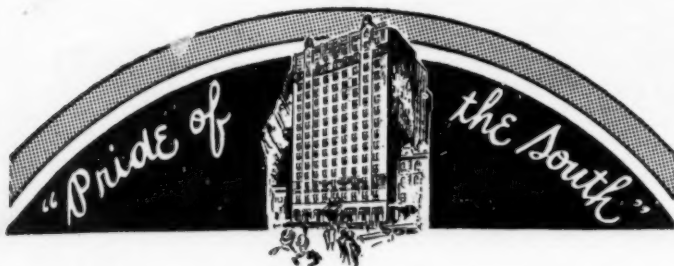
The Northwestern National has made an analysis of its production, indicating that the successful agent is, on the average, maintaining his pace. More Northwestern National agents passed the quarter million mark at the end of October this year than at the same time last year. Agents in this class also had a larger average production. Although the number of agents on the \$100,000 honor roll was somewhat less than 1930, the average production of these agents was greater.

During the first ten months, 21 men produced \$250,000 or more as against 18 last year. The average production of the 21 was \$363,826 as compared with \$352,093 for the 18 last year. The four men who have qualified for the \$100,000 roll average \$197,334 as compared with \$186,712 for the 99 men on that roll last year.

The Northwestern National concludes that the successful agent is working harder than last year and that his work is getting results.

Boston Actuaries Meet

The Actuaries Club of Boston held its December meeting last week with Roy A. Wheeler, vice-president and actuary Liberty Mutual, as chairman. The discussion centered about the current and probable future effect of the present period of depression upon mortality, interest and investment earnings, expenses, policy loans, and surrenders and the effect which changes in these items will have upon future dividend scales.



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Missouri State Peace Is Signed

(CONTINUED FROM PAGE 5)

W. Head to accept the position if he were acceptable to the St. Louis people. Mr. Head was proposed by the Dorsey interests some time ago, but since then he has become head of the Morris plan. Another person under consideration is Thomas F. Lawrence of Chicago, who was formerly vice-president of the Missouri State. He is now general agent for the Reliance Life of Pittsburgh.

Under the peace agreement, Mr. Dorsey will be permitted to name four of the 13 Missouri state directors. It is likely that those four will be Mr. Dorsey, H. S. Tressel, secretary of the Security Life of Chicago and treasurer of the Northern States Life of Hammond, both of which are controlled by the Dorsey interests; Stephen Paul of Hallgarten & Co., and Judge Williams.

The Nims people would likewise be permitted to name four directors, two of whom will be Mr. Nims and Mr. Watts, who is chairman of the First National Bank of St. Louis.

The new president would be a director and he would be permitted to name three other directors. The 13th member would be Theobald Felss of Cincinnati, who has been a director for 24 years and is the largest individual stockholder. He has been chairman of the stockholders' protective committee which opposed the voting trust plan and supported the Dorsey faction.

Letter from Dorsey

The Felss-Dorsey stockholders protective committee sent personal letters to all Missouri State stockholders who had been giving the committee proxies.

"We are pleased to announce," the letter reads, "that all controversies concerning the control and management of the Missouri State Life have been terminated by mutual agreement of our committee, with representatives of those stockholders proposing the voting trust. The voting trust will be abandoned."

"The board of directors, which will have the confidence of all stockholders, has been agreed upon and will soon be made public. A new president will be selected from a list of names that is satisfactory to both our groups."

"We are sincerely grateful for your loyal support that has made possible this satisfactory outcome of the controversy."

Promise Sound Management

"This organization further feels that the thanks of all stockholders are due Mr. Felss and Mr. Dorsey for the results accomplished, and for their finding satisfactory common ground upon which both groups could cooperate for the progress of the company."

"We assure you that our company, under its new president, will have a sound, economical and aggressive management, which will deserve the approval and cordial support of all the stockholders and policyholders. We predict a remarkably successful future for the company under its new administration."

Commissioners in Session on National Benefit Life

(CONTINUED FROM PAGE 13)

"that in further pursuance of said illegal and fraudulent schemes the two Rutherford and Smith systematically suppressed evidence of their fraudulent transactions by gradual abandonment of the usual records."

The bill charges that all of the alleged transactions were "done and made possible through the advice, connivance and aid of the late Alfred B. Dawson." The Rutherford and other directors, according to the bill, authorized payment of \$300,000 to the Dawson firm. The bill charges that the Dawson firm has retained and concealed many records and has refused to turn them over.

South Carolina Governor in Tribute to Insurance

NEW YORK, Dec. 10.—Governor I. C. Blackwood of South Carolina, buttressed by its youthful and handsome insurance commissioner, Sam B. King, was introduced to the National Convention of Insurance Commissioners here Tuesday and spoke. Commissioner King escorted his chief to the rostrum and the executive was presented by President Livingston.

It was a matter of general regret that Commissioner Boney of North Carolina did not have his governor at hand so that the historical amenities could be observed between the two states. Governor Blackwood said insurance is not generally understood or appreciated. He is seeking to know what attitude the state should take toward insurance.

He paid a glowing tribute to insurance salesmen, especially because of their spirit of optimism and hope so much to be desired. "I am for the insurance men," the governor said. "We want to be sympathetic in our state and use every endeavor to assist in solving insurance problems."

Mersfelder Gives Venison Dinner

L. C. Mersfelder, Oklahoma state manager of the Kansas City Life, was host the night of Dec. 5 to 75 agents and their wives at a venison dinner in Oklahoma City. Speakers included Dr. H. A. Baker, medical director; J. A. Budinger, associate actuary, and O. Sam Cummings, Dallas, Texas state manager. A silver loving cup was presented to R. J. Angleman, Oklahoma City, for leading the agency in production.

Berkshire Life Official Dies

Dr. Henry Colt, medical director of the Berkshire Life, died of heart disease Tuesday night at his home in Pittsfield at the age of 75. He had been the medical director for 30 years and a director since 1905. He was prominent in charitable and civic work.

Dunham Statement Corrected

The statement published last week that the Connecticut department has instructed all companies licensed in that state to file a schedule of assets with values fixed as of Sept. 30 or Oct. 31 is "grossly in error," according to Commissioner Dunham. The statement was not authorized by his office, he states.

Philadelphia Directory Out

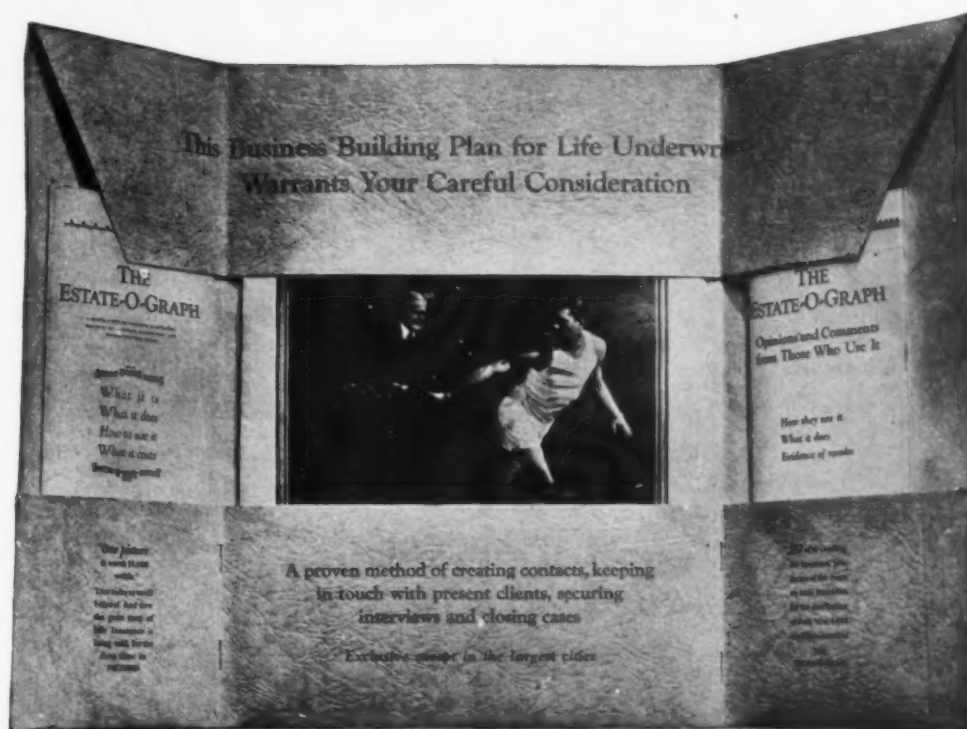
The 1932 edition of the Philadelphia insurance telephone directory has just been issued by THE NATIONAL UNDERWRITER. This book contains a complete list of companies and agencies of all classes in Philadelphia, with their addresses and telephone numbers. Copies of this directory can be obtained from either the Chicago office of THE NATIONAL UNDERWRITER or its Philadelphia office, 412 Land Title building, phone Rittenhouse 3654.

Hord to Succeed Coombs

The New England Mutual announces the appointment, effective Jan. 1, of Lorin Hord as general agent at Minneapolis, succeeding R. H. Coombs, resigned.

Mr. Hord has been a resident of that city since 1908. He went there as manager for the Home Life of New York and remained in that position until 1923, when he became manager for the Union Central, from which he has now resigned. He entered life insurance work 30 years ago as an agent of the Mutual Life. For several years his personal production has averaged a million dollars a year.

Prospects Read It With Interest



This is The Estate-O-Graph Portfolio which is sent on receipt of \$1.00.

THE ESTATE-O-GRAPH is a picture publication to send to clients and prospects. It pictures the benefits of life insurance in an understandable and interesting manner. It visualizes life insurance at work. It demonstrates by means of carefully posed pictures what life insurance will do for the prospect and his family.

THE ESTATE-O-GRAPH is interesting because it consists largely of pictures. It puts ideas across very effectively because it presents them in visual form.

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Alma D. Katz, Mutual Life of N. Y., Portland, Ore.

"We believe that The Estate-O-Graph has been one of the main factors that have aided in maintaining this agency among the leading agencies of the Mutual Life Insurance Company of New York."

Wm. A. G. Linn, Equitable of N. Y., Lewistown, Pa.

"My 1930 business was 22% better than in 1929, and I am sure The Estate-O-Graph has helped me to make it so."

Fred J. Johns, California State Life, Sacramento, Cal.

"I have written ten to whom I mailed The Estate-O-Graph monthly, totaling a volume of \$120,500. I believe the other ninety on the list are my best prospects for future insurance."

Anna M. Rozelle, Provident Mutual, Detroit, Mich.

"The last copy enabled me to close two cases I have been soliciting for over two years without results."

Bernard Vise, Imperial Life of Canada, Toronto, Ont.

"In two cases particularly I was successful in securing over \$60,000 of new business directly as a result of the issue regarding business agreements and investment insurance."

F. W. Tierney, Occidental Life, Walla Walla, Wash.

"I just cleaned up a \$30,000 case today, which I feel sure was the direct result of The Estate-O-Graph."

R. C. Carr, Southern States Life, Monroe, La.

The Estate-O-Graph Portfolio

contains sample copies of one year's issue and information regarding the service. It is sent on receipt of one dollar. If you buy the service, the dollar is credited to your account; if you don't you can return the Portfolio and contents and your money will be refunded. Find out whether the exclusive franchise for your city is available. Use coupon below to order the Portfolio.

close a \$10,000 Endowment at 65, age 46."

F. C. Davies, Northwestern Mutual, Madison

"The Estate-O-Graph is the most effective way of educating people to the uses of life insurance that I have yet seen."

H. Tryloff, Sun Life, Mt. Clemens, Mich.

"It may interest you to know that from over \$500,000 of paid for business last year we did not have a single lapse, and we give a large amount of credit for this remarkable record to The Estate-O-Graph."

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Keeping the Faith

Over five years ago, The Northwestern Mutual Life Insurance Company issued a Credo. It has republished that Credo annually ever since. This is an appropriate time for repeating it. The Northwestern Mutual Life Insurance Company **STILL BELIEVES:**

That the business of life insurance is one of trusteeship, and therefore should not be commercialized.

That exact equality of obligation, benefit, and service to each policyholder is necessarily implied in the relationship between policyholder and Company. Discrimination is prohibited by the laws of most of the States.

That equal standards of selection ought to be applied to all applicants for life insurance. That mutuality and equality are to be preserved; that to require a medical examination of some policyholders and not of others, without segregation, violates this principle. The Northwestern, therefore, does not, and will not, do a non-medical business.

That to include health and accident features in the policies of some policyholders, without segregation, and at less than self-supporting rates, results in discrimination; that the cost of these features is still unknown; that they inject into the business uncertainty, controversy, and a resulting loss of prestige. The Northwestern, therefore, has not adopted the Disability Annuity and Double Indemnity features.

That its first year lapse rate, averaging less than seven per cent, and its "repeat orders" from policyholders exceeding fifty per cent per annum of its new volume, result from its simple, clear, and definite contracts and the intelligent, responsible, personal selling and service of its agents.

That each policyholder needs, and is entitled to, a service that can be obtained only from personal negotiations with a competent and responsible agent; that wholesale and mass selling of life insurance tend to minimize the efficiency of agents and eventually to eliminate them, thereby resulting in loss of service and dissatisfaction to policyholders. The Northwestern, therefore, has not adopted the so called "Group," "Payroll," "Salary Deduction," or other wholesale and mass selling plans.

That it has a deep and binding obligation to the 600,000 men who are its present policyholders; that to admit others, who do not comply with established standards, into equal partnership would convict it of bad faith; that volume, in excess of an amount sufficient to keep the Company healthy and serviceable, is of no important consequence to the policyholders. The Northwestern, therefore, will not forget its obligation or covet volume.

That if future results to its policyholders are to be as satisfying as in the past, the Company must adhere to the standards expressed in this statement of principles, and that to abandon them would necessarily increase the cost of its insurance. The Northwestern WILL NOT abandon its standards.

**THE NORTHWESTERN MUTUAL LIFE
INSURANCE COMPANY**

Milwaukee, Wisconsin